



# Weekly Report

*the authoritative reference on Congress*

WEEK ENDING FEB. 12, 1954

VOL. XII, NO. 7 -- PAGES 173-200

The Big . . .

## TAX OVERHAUL

Theories Behind What GOP Calls The Most

Extensive Tax Law Revision In History



20 YEARS - - - PRICE SUPPORTS - - - \$20 BILLION

That's The CCC Program's Total "Handle" -- It Has Lost

Over \$1 Billion, Now Needs Congress' Help . . . PAGE 177

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*The Only News Bureau Exclusively Devoted To Congress*

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## THEORY OF NEW TAX BILL

**Revenue Revision Pegged to Lower Levies, Special Relief for Business;**

**Legislative Mill May Grind to Tune of "Most Feathers for Least Squawk"**

This year's tax law will be different. For the first time since the 1870's, Congress is reviewing the whole measure that brings in Uncle Sam's revenue, all in one piece. A thousand-page draft is now before the House Ways and Means Committee, which expects the job of wading through it, item by item, to take all of February. Technicians on the staff of the Joint Committee on Internal Revenue Taxation, and Treasury experts, hammered out this draft in months of hard work through last summer and autumn. They reached agreement. The much tougher job of getting agreement in the Ways and Means Committee, in the Congress, and finally in the White House, still lies ahead. (For tentative committee actions, see CQ Weekly Report, p. 164.)

Since this is an election year, before the new bill could become law it probably would bear signs of the barnyard maxim by which politicians have long described the taxing process: Get the most feathers for the least squawk. But more than any other tax bill in our time, this one, as it goes to Congress, reflects a consistent theory of taxation.

### EISENHOWER VIEW

The Republican administration came into office with two convictions about taxes. Both have just been underlined again by President Eisenhower:

1. Taxes should be lower. On Jan. 21, in his Budget Message to Congress, the President said: "The objective will be to return to the people, to spend for themselves in their own way, the largest possible share of the money that the Government has been spending for them."

2. Tax relief for business does the economy more good than other kinds of tax relief. In his Budget Message, President Eisenhower described his proposals as "reducing the tax barriers to continued economic growth. The proposals will encourage the initiative and investment which stimulate production and productivity and create bigger payrolls and better jobs."

### WANTS BURDEN FAIRER

In presenting his 25 tax proposals, the President included a number of items of individual tax relief: he said "revision of the tax system is needed to make tax burdens fairer for millions of individual taxpayers." But where incentive, rather than equity, has been the purpose of the revision, the change has been made to "restore conditions which will permit traditional American initiative and production genius to push on to ever higher standards of living and employment." Among proposals for tax relief of individuals, the largest of the items is that which affords progressive reduction, over a three-year period. Of taxation of dividends received -- in dollar terms -- the measure would provide relief amounting to some \$240 million in the first year.

The biggest of the proposals for tax relief of corporations would permit faster tax write-offs of the cost of new plant and equipment, estimated to reduce corporate income taxes by "more than \$100 million." (For details of the President's tax proposals, see CQ Weekly Report, pp. 103-106.)

## The Arguments

But the Administration's two-point theory of taxation is not going to go through without being questioned. Doubts are being raised, in Congress and elsewhere, about the size and the kinds of tax cuts that it is wise to make in 1954.

Against the Eisenhower proposals, an opposite argument and an opposing theory of taxation are being pressed. Should taxes be lowered much, as long as a big defense program is necessary? And if taxes are lowered, wouldn't tax relief to consumers stimulate a sagging economy faster than tax relief to producers? Here's how the opposition puts it:

1. With 68¢ of every dollar spent by the government earmarked for national security, large tax cuts, made now, risk the country's safety.

To this, some say NO:

Secretary of Defense Charles E. Wilson insists that his new defense budget gives "more effective defense for less money." This is the remark that has been freely translated as "a bigger bang for a buck."

Secretary of the Treasury George M. Humphrey has said "Big reductions in security spending can only come from perfecting a new and more effective defense program which costs less money..."

Some say YES:

But on Jan. 9, Sen. Stuart Symington (D Mo.) said "the Defense Department is now further postponing the development of our Air Force. This latest postponement is until 1957. But if what President Eisenhower said last month is true, about the growing danger of losing all in a surprise atomic attack--and surely he should know--how dare we postpone for two more years the Air Force everybody now considers the minimum requirement for our security?"

House Minority Leader Sam Rayburn (D Tex.) put it more briefly: "I'd rather be alive with an empty pocketbook than dead with a full one."

2. Tax relief for consumers is more stimulating to the economy than tax relief for investors.

Some say NO:

Secretary Humphrey, testifying before the Joint Committee on the Economic Report, said: "the goose that lays the golden egg is production; payrolls

make consumption; stop payrolls and you stop consumption automatically."

At the same session, Sen. Ralph E. Flanders (R Vt.) himself a business man, noted: "We had experience with endeavoring to solve the problem of unemployment by consumer expenditures alone" between 1933 and 1940.

Ralph J. Cordiner, President of General Electric, wrote stockholders on Jan. 25: "A major issue at stake is whether or not tax changes will be made which will give a greater stimulus to the investment of private funds in the development of the plants, factories, and machines that are summed up in the economist's term 'capital goods.'"

Some say YES:

A letter from George Meany, AFL president, to Daniel A. Reed (R N.Y.), House Ways and Means Committee Chairman, has stated: "Present low personal exemptions with high living costs continue to stress the need for substantial relief" for those with taxable net incomes of less than \$2,000 yearly.

Commenting on the Economic Report, CIO vice-president Emil Rieve declared on Jan. 29: "To unleash new incentives of economic growth, a tax bonanza of \$2.8 billion is being thrown to American business and the less than one per cent of American families who own the lion's share of corporation stock... For the other 40-odd million American families these incentives will have to be unleashed by a total of \$300 million in minor tax adjustments which are included in the program... There is no promise to do anything about the greatest inequity of all at present --the thoroughly inadequate \$600 personal income tax exemption. Increasing this exemption should have first priority in a program to strengthen the economy."

On Jan. 30, Sen. Paul H. Douglas (D Ill.) said: "I think the President's Economic Report and his Budget Message lay the chief emphasis on tax relief for upper income groups and for business in order to stimulate investment. I think it would be safer to stimulate consumption--to use the labor and plants that are now idle. The best way to do this is by reducing excises on luxuries and comforts and by increasing the exemptions for individual income taxpayers."

At the hearings of the Joint Committee on the Economic Report on Feb. 2, Sen. J. W. Fulbright (D Ark.) remarked: "as of the moment it seems to me we are producing more than we can consume, and I would be looking for means immediately to increase purchasing power."



## TVA On Shoals?

### VALLEY AUTHORITY CUTBACK

Developments in 1953 and 1954 point to a smaller role for the Tennessee Valley Authority on the regional and national scene.

Administration budget requests call for no new TVA construction and for cuts in TVA appropriations and power commitments for defense in fiscal 1955. Added to last year's reduction in TVA resource development funds, this seems to indicate diminishing prospects for TVA expansion.

Also tending to limit TVA's future is the Administration policy of increasing state and private operations in federal fields.

The Tennessee Valley Authority, created in 1933, is a government-owned corporation whose operations are financed by Congressional appropriations and through revenues from such TVA programs as the sale of power and fertilizers.

TVA activities include the generation, transmission and sale of power, resource development, and navigation, flood control, fertilizer and munitions programs.

#### 20 YEARS OF GROWTH

The Authority is primarily a regional agency, operating in the seven-state Tennessee Valley area of Tennessee, Kentucky, Alabama, Georgia, Mississippi, North Carolina and Virginia. But some of its programs extend beyond the region and affect the agricultural development and national security of the nation.

When TVA began its 21st year in mid-1953, its 20th dam and seventh steam plant were under construction. Its power facilities had a generating capacity of 5,102,985 kilowatts, expected to be increased to 9,938,985 in 1956 when construction underway was scheduled for completion.

There were 29 major dams, including the 19 built by TVA, in the Tennessee river system. TVA reservoirs provided almost 12 million acre-feet (an acre-foot is enough water to cover an acre to a depth of one foot) of flood-water storage. TVA recently completed work on a 630-mile navigation channel, with a minimum depth of 11 feet, that connects with a 7,000 mile inland waterway.

TVA employment has grown, too. It started out in 1933 with 45 employees. The number rose to 3,423 by the end of the year. At the close of fiscal 1953, 22,406 were on the TVA payroll.

The following table shows the money made available to TVA through appropriations, revenues and bond proceeds, and expenditures from these funds, from July 1, 1933, through June 30, 1953:

Total made available	\$2,660,427,000
Appropriations	1,596,735,000
Gross revenues	998,619,000
Bond proceeds	65,073,000
Gross expenditures	\$2,353,853,000
From appropriations	1,333,596,000
From revenues	955,184,000
From bond proceeds	65,073,000
Unspent balance	\$306,574,000

#### BILLION-DOLLAR ASSETS

Through fiscal 1954, Congress has appropriated a total of \$1,785,214,581 for TVA. Appropriations for fiscal 1954 alone totaled \$188,546,000 (at the same time, \$66,000 in prior appropriations was rescinded). President Eisenhower's budget for fiscal 1955 calls for \$141.8 million for TVA.

By the end of fiscal 1953, TVA owned assets in the form of dams, power plants and other facilities valued at \$1,149,539,000, and had \$210 million investment in projects under construction. TVA assets were expected to total \$2,077,957,383 by the end of fiscal 1955.

TVA is the only power supplier for an 80,000 square-mile area with a population of about five million, and the sale of its power is the major source of TVA revenue.

Power is generated and transmitted from TVA steam and hydro plants and sold at wholesale rates to federal agencies such as the Atomic Energy Commission and to 148 municipal and cooperative distributors. These local distributors in turn sell the power to about 1.3 million consumers.

#### FLOOD-CONTROL, DEFENSE

The TVA flood-control program, at a cumulative cost of \$24.5 million, is estimated by TVA officials to have averted \$51.3 million in flood damage since 1936.

TVA has been furnishing power for the atomic energy program since 1942. In fiscal 1953, seven billion of the 24 billion kilowatt hours generated by TVA went to the AEC and other defense agencies. TVA expects that by 1956 almost 50 per cent of its generated power will go to these federal agencies--mainly for atomic energy plants.

## TVA FUTURE DEBATED

Creation of the Tennessee Valley Authority in 1933 was hailed as a Democratic victory. Supporters of federal development of the Tennessee valley were mainly Democrats, although one of the leaders of the fight for TVA, Sen. George W. Norris (Neb.), was a Republican.

From 1921 to 1933 scores of bills dealing with disposal of power properties around Muscle Shoals, Ala., (on the Tennessee River) were introduced. In 1928, a bill providing for public operation of these properties was passed by Congress but was pocket-vetoed by President Calvin Coolidge. In 1931, President Herbert Hoover vetoed a bill to set up a Muscle Shoals Corporation.

TVA supporters finally won out in 1933 with enactment of a law authorizing development of the entire Tennessee River Valley.

On April 25, 1933, the House approved its version of the TVA bill on a 306-91 roll call. The Senate May 3 passed its bill on a 63-20 roll-call vote. The House May 17 accepted conference committee recommendations on a 259-112 roll-call. President Roosevelt signed the compromise bill on May 18.

The breakdown of the Senate and the final House vote, by major parties:

	Senate	House
Total Vote	63-20	259-112
Democrats	48-3	245-28
Republicans	14-17	11-84

Several events point to a long-range drop in TVA activities. In 1953, Congress cut TVA resource development funds sharply.

At a June 17, 1953, press conference Mr. Eisenhower called TVA an example of "creeping socialism" and said the whole TVA program needed re-examination.

The Eisenhower budget for fiscal 1955 not only carried comparatively low appropriation estimates for TVA, but included no money requests for new TVA construction of generating units.

The President proposed that to enable TVA to meet future power needs, its power commitments to the AEC be cut by 500,000 or 600,000 kilowatts. Sen. Estes Kefauver (D Tenn.) said this might mean the Administration intends "to put a lid on the Valley region for future defense work."

Under existing plans, TVA expansion seems slated to come to a halt by 1957.

TVA supporters are worried not only about contraction of TVA activities, but about private interests taking over the Authority altogether.

Sen. James O. Eastland (D Miss.) charged Feb. 5 that Clarence Manion, chairman of the President's Commission on Intergovernmental Relations, publicly has advocated sale of the TVA. But Sen. William F. Knowland (R Calif.) said he is sure it is not Administration policy to "liquidate or sell" TVA.

## Tennessee Valley -- Then And Now

Citing its accomplishments, TVA says it has helped to develop the natural resources, improve the living standards, and promote the industrial, agricul-

tural and commercial growth of the region. These are some of the specific improvements from 1933 to 1953 listed by the TVA:

### 1933

### 1953

Valley consumers served by local distributors used 1 billion kilowatt hours of electricity.

Three per cent of the region's farms were electrified, power was serviced to 300,000 consumers.

The Tennessee River carried 33 million ton-miles of freight, mostly sand and gravel.

In some areas along the river, one-third of persons were afflicted with malaria.

Only public forest land was under a strong fire protection program.

Per capita income of the region was 44 per cent of the national average in 1929.

People of the seven TVA states paid 3.4 per cent of total individual income taxes.

Power distributed to Valley consumers in the same area totaled more than 10 billion kilowatt hours.

Ninety per cent of the farms had electricity, and 1.3 million consumers were served.

River traffic was estimated at 830 million ton-miles, with freight such as coal, oil, steel, cars, gas.

TVA control of anopheles mosquito helped eliminate malaria almost entirely from the area.

Nine-tenths of Valley's forest lands were under organized fire protection program led by TVA.

Per capita income of region was 61 per cent of the national average in 1952.

People in same area paid 6.2 per cent of total individual income taxes in 1952.

## Scraping The Barrel

### PRICE-PROP FINANCES

"However bright the future may be for agriculture," Secretary of Agriculture Ezra Taft Benson told the Senate Committee on Agriculture and Forestry Jan. 18, "it must be apparent to everyone that we are confronted with several serious problems now."

One of the specters rising to trouble the Secretary was the likelihood that the Commodity Credit Corporation, the agency which finances the commodity price-support program, would reach its statutory limit on borrowing before the end of fiscal 1954, "perhaps as early as March or April." The crisis came even earlier, and on Feb. 4 Mr. Benson told the Joint Committee for the Economic Report, "At this time we have committed practically all of the \$6,750,000,000 authorized for support operations."

#### HOW CCC WORKS

Although CCC's function extends to fields of commodity exports, foreign purchases and a supply program including emergency flood and drought relief, its major operation is the price-support program.

CCC is required by law to make loans on or purchase outright specified surplus commodities at parity prices, in accordance with a formula which relates prices to producers' costs. In order to finance its operations the Corporation may borrow from the U.S. Treasury and underwrite loans from private banks, but its borrowing authority is limited to \$6,750,000,000. If this amount were depleted the price-support program would be in jeopardy.

To forestall the possibility of the CCC running out of funds, the Administration has asked Congress to cancel the Corporation's indebtedness to the Treasury at an early date and to raise the limit on CCC borrowing authority to \$8.5 billion.

#### SURPLUSES BLAMED

The heavy demands for price supports are attributed by Agriculture Department officials to the fact that in spite of acreage allotments and marketing quotas, production has increased to the point where the domestic and foreign markets can not absorb it. Producers fearing further drops in market prices are offering their commodities to the government at support prices.

There were indications of the rise in demands for CCC funds at the end of fiscal 1953 (June 30, 1953). Reports showed that during the year the CCC issued

support loans totaling \$2,122,132,000 as against \$937,306,000 in fiscal 1952. As of June 30, 1953, the commodity inventory was \$2,338,737,000 while on June 30, 1952 it was \$1,073,240,000.

A comparison of price supports extended on major commodities in 1953 with figures for 1952 indicates how the investments were distributed.

(Quantities and values in millions)			
1952 crop through June 30, 1953		1951 crop through June 30, 1952	
Quantity	Value	Quantity	Value
Wheat, bu.	406.5	212.9	\$442.5
Corn, bu.	416.3	26.3	41.5
Cotton, upland, bales	2.3	1.1	171.8
Dairy Products, lbs.	429.9	162.3	53.5

While the increase from June 30, 1952, to June 30, 1953, was sharp, in most cases, there has been even greater acceleration in demands since June 30, 1953. The CCC estimates that its holdings in farm commodities from June 30 to Nov. 30 increased by \$1.7 billion. The breakdown by major commodities:

	Quantity June 30, 1953	Quantity Nov. 30, 1953	Increase
Wheat, bu.	514,399,000	854,000,000	\$39,601,000
Corn, bu.	527,371,000	530,000,000	2,629,000
Dairy Products, lbs.	719,758,000	1,021,000,000	301,242,000
Cotton, upland, bales	2,101,000	6,000,000	3,899,000

CCC President Howard H. Gordon told the Senate Agriculture Committee Jan. 25 that as of Nov. 30, 1953, the Corporation's total investment was \$5,248,600,000 in price support loans and inventories, and by Jan. 22 had reached \$5,500,000,000. Most of the holdings as of Nov. 30 were in four commodities: Wheat, \$2,055,600,000; cotton, \$1,013,400,000; corn, \$852,000,000; dairy products, \$381,900,000.

Secretary Benson's statement of Jan. 18 pointed up the rapidity with which surplus dairy products were being acquired by the CCC, by comparing the figures for the first two weeks of January, 1954, with all of November and December, 1953:

Commodity (lbs.)	Jan. 1-14, 1954	Dec. 1953	Nov. 1953
Butter	13½ million	11 million	3 1/4 million
Cheese	9 million	7 million	4½ million
Dried milk	25 million	36½ million	17 million

## PARITY PRICES UP

Not only must CCC buy greater quantities. The prices it must pay also have risen, since the CCC's borrowing authority was set at \$6,750,000,000 in June 1950. CCC's President Gordon gave the Senate Committee this comparison:

	Support price 1950 crop	Estimated support price 1954 crop
Cotton, bale	\$139.50	\$160.00
Corn, bu.	1.47	1.58
Wheat, bu.	1.99	2.20
Butter fat, lbs.	.60	.67 2/10
Milk for manufacturing, cwt.	3.07	3.74

For all commodities on which price support has been committed for 1954 crops, he estimated, it will take over \$200 million more to make the loans and purchases in fiscal 1955 at 1954-crop support prices than it would take at 1950-crop support prices.

## FUTURE NEEDS

Further increases in demands for price supports and greater losses on the support program are forecast for fiscal 1954.

The President's 1955 budget anticipates loans for fiscal 1954 totaling \$3,080,577,363 and an increase in inventories to \$3,537,368,003. These estimates are based on expected increases in outstanding cotton loans and in corn and wheat inventories. Net losses are expected to climb from \$61,146,359 to \$326,323,691. The 1953 losses on major commodities compared with estimates for 1954 are as follows:

	1953 Actual losses	1954 Estimated Losses
Corn	\$20,526,523	\$41,000,000
Wheat	18,886,295	8,500,000
Dairy Products	5,240,519	176,248,629

Statistics on 20 years of CCC price-support operation, Oct. 17, 1933 -- Nov. 30, 1953:

Loans extended: \$15.2 billion  
Farm products purchased: \$5 billion  
Total net realized losses: \$1,194,839,023

CCC estimate of statutory obligations  
against its borrowing authority in February  
1955: Approximately \$8 billion.

Unless the President's proposal to set aside reserves of \$2.5 billion of commodities (CQ Weekly Report, p. 67) is approved and separate provision is made for financing the reserve, the CCC predicts it may be necessary to request further increase in borrowing authority to support 1955 crop prices.

## Borrowing Boosted In 1950

CCC's current request for increased borrowing authority is not its first. Until June 28, 1950, the Corporation was permitted to borrow only \$4,750,000,000, but heavy demands on the agency's resources led to a request for an increase in January of that year, and identical bills were introduced in the House and Senate. (CQ Almanac, Vol. VI, 1950, p. 72.)

During hearings on the bills, Charles Brannan, Secretary of Agriculture, told Congress that at the end of 1949 the CCC had \$3.6 billion obligated and that this would reach \$5.3 billion in 1950 if crops were normal. Heavy surpluses could send the figure to \$6.3 billion, he said. (CQ Almanac, Vol. VI, 1950, p. 72 ff.)

Hearings were delayed when Sen. John J. Williams (R Del.) and Sen. Clinton P. Anderson (D N.M.) objected to CCC bookkeeping methods and demanded an audit of the agency. Further delays were encountered when amendments were added to limit imports on commodities in short supply and to require the CCC to use private trade facilities in handling agricultural commodities. The final measure, providing the increase in borrowing authority and leaving restrictions on agricultural imports to the discretion of the Chief Executive, was signed June 28.

## PROGRESS OF BILLS

Emergency legislation to relieve the depletion of CCC funds was passed by Congress Feb. 9. Meanwhile, bills to raise the CCC's borrowing authority to \$8.5 billion are pending in both houses. In the Senate the measure (S 2714; S Rept. 888) to increase borrowing authority was reported Jan. 27 by the Agriculture and Forestry Committee. (CQ Weekly Report, p. 131.) A similar House bill (HR 7339) is before the Banking and Currency Committee which has not scheduled hearings.

An emergency measure (H J Res 358) to discharge CCC indebtedness of \$741,548,788 was passed by the House Jan. 27 and was reported by the Senate Appropriations Committee Jan. 28. (CQ Weekly Report, p. 125.)

In the Senate, the amount was cut to \$245,900,917 (CQ Weekly Report, p. 156). A compromise measure raising the figure to \$681,769,703 was reported Feb. 5 by a conference committee. The House accepted the compromise Feb. 9 by voice vote, and the Senate agreed the same day, on a 49-10 roll-call vote. (See page 182.)





## LOBBYIST REGISTRATIONS

Former Senator Scott W. Lucas (D Ill.), representing the interests of a copper and brass company, was among 17 registrants filing Feb. 2 - 8 under the Federal Regulation of Lobbying Act.

W. L. DUTTON, 2651 16th St., N. W., Washington, D.C.

W. L. Dutton registered Feb. 8 as an agent for the Organization of Professional Employees of the United States Department of Agriculture, P.O. Box 381, Washington 4, D.C. Dutton, who described himself as an executive officer of the Organization, stated that its purpose was "to promote the professional interests of its members, the professional standards of federal service, and the quality of professional service to the public."

Legislative interests "are in large part but not exclusively exemplified by the bills which are indexed in the Digest of Public General Bills issued by the Library of Congress under the captions, 'Public Officers and Employees', 'Retirement', and 'Taxation, Exemptions to Annuityants.' "

Dutton told CQ that he is generally interested in legislation which would affect the welfare of Department of Agriculture employees, such as pay-and-leave bills.

Dutton listed his salary as \$110 a mon.n.

LOVELL H. PARKER, Colorado Building, Washington D. C.

Lovell H. Parker, who stated that he is "self-employed," filed Feb. 8. He said he was retained as a tax consultant by W.A. Sheaffer Pen Company, Fort Madison, Iowa, listed his interests as "tax legislation with respect to excise tax on mechanical pencils and fountain and ball point pens". Parker told CQ that it was too early to name specific bills.

Parker stated that no expenses were anticipated and that compensation for his work was "indefinite" and would be "based on time required." He said compensation, "when received," will be shown on his quarterly report.

Parker was "retained as a consultant" by the National Coal Association and the American Trucking Association in 1950; by the National Council of Coal Lessors, Inc., and the Television Broadcasters' Tax Committee in 1951; and by the Iron Ore Lessors Association, Inc., and the Maryland Electronic Manufacturing Corporation in 1953.

LUCAS AND THOMAS, 1025 Connecticut Ave., N.W., Washington 6, D. C.

Former Senator Scott W. Lucas (D Ill.) and his law partner, Charles A. Thomas, registered Feb. 5 as agents for the Revere Copper and Brass, Inc., 230 Park

Ave., New York, N. Y. They stated that they were "interested in enactment of legislation providing for continuation of the suspension of certain import taxes on copper," anticipated that expenses would not be over \$200, and that their compensation was \$3,000 annually.

During 1953 Lucas and Thomas registered as agents for the American Finance Conference, the Acacia Mutual Life Insurance Company and Adolph Von Zedlitz.

THE PEOPLES GAS LIGHT AND COKE COMPANY, 122 South Michigan Ave., Chicago 3, Ill.

The Peoples Gas Light and Coke Company filed Feb. 4. The Company named Vance N. Kirby, an attorney with Ross & O'Keefe, 122 South Michigan Ave., Chicago 3, Ill., as their agent. (For Kirby's registration, see CQ Weekly Report, p. 121.)

The Company stated that it was interested in "proposing an amendment to the Internal Revenue Code to provide for adjusted original cost depreciation for income tax purposes."

CENTRAL ELECTRIC & GAS COMPANY, 144 South 12th St., Lincoln 1, Neb.

The Central Electric & Gas Company filed Feb. 4. The Company named Vance N. Kirby (see above) as their agent. It stated that it was interested in "proposing an amendment to the Securities Act of 1933 to increase the exemptions for small issues of securities."

ALEXANDER PURDON, 1701 K St., N.W., Washington, D.C.

Alexander Purdon registered Feb. 4 as an agent for the Committee of American Steamship Lines, 1701 K St., N.W., Washington 6, D. C. He stated that his legislative interests concerned "general activities in connection with the promotion and advancement of the American Merchant marine."

Purdon registered in 1951 as an agent for the National Federation of American Shipping.

STANLEY GEWIRTZ, 1107 16th St., N.W., Washington 6, D. C.

Stanley Gewirtz registered Feb. 4 as an agent for the Air Transport Association of America, 1107 16th St., N. W., Washington 6, D. C. Gewirtz stated that the Association was a "trade association of the scheduled airlines" and that he was assistant to its president. He stated that he was interested in "legislation affecting the welfare of airlines and the air transport industry".

A spokesman for the Association told CQ that its interest in specific legislation will depend on the findings of the Senate Interstate and Foreign Commerce Committee's hearings on S 2647. This bill, introduced by Sen. Pat McCarran (D Nev.) Jan. 11, would "create an independent Civil Aeronautics Authority and an Air Safety

Board to promote development and provide regulation of civil aeronautics, and promote United States world leadership in aviation." A Committee spokesman said that hearings on the bill will begin March 1.

Gewirtz said the Association will pay his expenses, not expected to exceed \$100 a quarter.

(Gewirtz, assistant to the president of ATA, Feb. 10 told the Aviation Writers Association that non-scheduled air lines are not paying their fair share of air transportation costs, yet are "skimming the travel cream" by serving only major cities and operating over longer, more profitable routes.)

NICOLAS REISINI, 11 West 42nd St., New York 18, N.Y.

Nicolas Reisini filed Feb. 3, naming the law firm of Arnold, Fortas & Porter as his agents. (CQ Weekly Report, p. 121.) Reisini stated that he was interested in S 2518, a bill for the relief of Nicolas Reisini.

CARL BROWN, JAMES HATFIELD, FRANK HAWTHORNE, MONT LOCK, B. H. WALLIS, C. J. SHELTON, J. G. HORNETT, all at 1627 Cadillac Tower, Detroit 26, Mich. JOSEPH MURPHY, 125 Tuscarora Road, Buffalo 20, New York

Carl Brown, James Hatfield, Frank Hawthorne, Mont Lock, Joseph Murphy, B.H. Wallis, C. J. Shelton and J. G. Hornett registered individually Feb. 3 as agents for the Foreman's Association of America (Ind.), 1627 Cadillac Tower Building, Detroit 26, Mich. They stated that their legislative interests concerned "amendment of the Taft-Hartley Act, specifically to secure protection of foremen through S 2650." This measure would amend the labor law to incorporate certain suggestions contained in President Eisenhower's Jan. 11 labor message to Congress. (CQ Weekly Report, p. 68.)

The eight registrants stated that they would receive reimbursement for "expenses actually incurred" and for "time lost from work." They estimated total reimbursement would not exceed \$250.

NATHANIEL S. KEITH, 3212 Macomb St., N.W., Washington, D.C.

Nathaniel S. Keith registered Feb. 2 as an agent for the Redevelopment Builders of New York, 110 E. 42nd St., New York, N.Y. Keith described the organization as an "association...individually engaged in the business of redevelopment building" and listed himself as a housing consultant.

In describing his legislative interests, Keith stated that he was "in favor of certain redevelopment housing legislation" but that "no such legislation has yet been introduced."

Keith stated that his "six months contract expires July 15, 1954, and provides for full representation of the Redevelopment Builders of New York, including 'legislative interests,' for a total fee of \$10,000."

## PRESSURE POINTS

### FREE-WORLD TALK URGED

The American Federation of Labor executive council urged Feb. 7 that the U.S. take the lead in calling a world economic conference to boost the productive capacities and living standards of the free world. This proposal was part of a 10-point program adopted by the AFL leaders at their mid-winter meeting in Miami (CQ Weekly Report, p. 153). The Federation called on President Eisenhower to appoint a special adviser on international economic and social rearmament to supervise America's program for combating totalitarianism through non-military methods.

### VFW SPLIT?

Top official ranks of the Veterans of Foreign Wars apparently split over a group project in Norwalk, Conn., under which VFW members report to the Federal Bureau of Investigation names of persons they suspect of being "subversives" (CQ Weekly Report, p. 123).

Joseph Carnella, commander of VFW's Illinois chapter -- the second largest VFW unit -- Feb. 5 called for a showdown with Wayne E. Richards, national commander, over the issue. "We certainly don't want a police state in the United States," he asserted, "and that is just what the Norwalk program would lead to."

### COMBATING COMMUNISM

Cyrus Eaton, new board chairman of the Chesapeake & Ohio Railway, contended Feb. 6 that wide ownership of stock is a better "guarantee of dynamic and flourishing capitalism" than "witch-hunting and wire-tapping."

"The way to combat communism," he told a city club audience in Cleveland, "is not by witch-hunting and wire-tapping. These police-state methods may gain momentary notoriety for the office-seeking politicians who advocate and employ them, but they offer no solution for our long-term economic problems."

"Common stocks owned by the citizenry and common sense exercised by business and political leaders would be the most effective antidote against communism."

## THIRD QUARTER REPORTS

In compliance with the Federal Regulation of Lobbying Act (P L 601, 79th Congress) 40 persons or organizations registered and 728 persons or organizations filed financial reports for the third quarter of 1953.

This compares with 128 registrations and 797 financial reports filed in the second quarter, and 83 registrations and 739 financial reports for the first quarter. Total registrations were brought to 251 and total financial reports added to 2,264 for the first nine months of 1953.

## Townsend Plan

### ONE DOCTOR'S CURE

A slight, white-haired man of 87 has slipped into Washington several times in 1954 to confer with legislators on a plan that for the last 20 years he has been trying to lobby through Congress. The man: Dr. Francis E. Townsend. The plan: The doctor's famous proposal for providing security to America's older citizens (1953 CQ Weekly Report, p. 1266).

In an unpretentious office maintained by the Townsend Plan two blocks from the Capitol, the soft-spoken leader told CQ that he is "more optimistic than ever before for acceptance of our program" by the Congress which, so far, has not even discussed its features.

"In my opinion, two factors will make this inevitable," he said. "One, is the total inadequacy of existing proposals -- including the President's -- for meeting the problem. The other, will be a recession following the return of troops from Korea. This will necessitate steps to bolster purchasing power, and our plan would do this."

Today, as when conceived, the program is designed to provide monthly pensions, based on a two per cent gross income tax on all business and personal incomes above \$250 a month. The proceeds would be distributed to all U.S. citizens over 60, after payment of administrative costs. Disabled persons between 16 and 60 and widows and dependent children also would benefit.

"The present system and current proposals for changing it show little concern with the great mass of older people. They actually discriminate against old folks by giving them a sub-standard income and making it impossible for them to earn supplemental money," Townsend continued.

"This is all wrong. We need a subsidy for older people large enough to bolster their purchasing power -- and, incidentally, to help absorb the production resulting from subsidies to farmers and industry."

#### SEES NO COST TO U.S.

The doctor believes that his pay-as-you-go plan would pay for itself, in terms of increased sales, and would "not cost the nation one red cent."

These beliefs are elaborated in "New Horizons," Townsend's autobiography, published in 1943. It tells the story of his boyhood in Illinois (he was born in Fairbury), his medical-school studies in Omaha and Los Angeles, his practice in the midwest and Long Beach, and the day when, at the age of 67, he got the idea which was to make him famous.

This was during the depression, and he had just attended funerals of two older people who had committed suicide because of financial worries. Why, Townsend wondered, could not the nation work out a plan to conserve its human resources? The result was his program, which some termed "crackpot" but which others credit with having led to the present social security program.

## "I'm Gonna Howl..."

### FARM CITY CONFERENCE

IGHUGS! (I'm Gonna Howl 'bout Unnecessary Government Spending!) That's the slogan of a Crusade for Government Economy launched Feb. 3 by the Farm City Conference, a new group through which agriculture, business and the medical and other professions are "working together on projects in the public interest".

The campaign, announced jointly by Herschel Newsum, master of the National Grange; Homer Brinkley, executive vice president of the National Council of Farmer Cooperatives, and James A. McConnell, executive vice president of the Cooperative Grange League Federation Exchange, is designed to "bring forcefully to the attention of the people" the slice that taxes take out of their income.

Charles Dana Bennett, special consultant to the Conference, told CQ that IGHUGS is partially patterned after IGHAT (I'm Gonna Holler About Taxes), a campaign which Quaker Oats waged last year "with conspicuous results." Quaker is a member of the Conference.

#### MAJOR FIRMS, GROUPS

Bennett explained that the new Conference is composed of advertising and public relations men of corporations, farm and professional groups. Among companies and organizations represented: General Electric, Quaker Oats, International Harvester, American Medical Association, Sears Roebuck & Co., Tax Foundation, National Grange, AVCO Manufacturing Corp., National Council of Farmer Cooperatives, Cooperative Grange League Federation Exchange, Farm Film Foundation.

Conference officials include McConnell and John Stuart (chairman of the board, Quaker Oats), honorary co-chairmen; and Bruce Garvin (also connected with the Grange League Federation), chairman. Mrs. Carl Harris (program director of the General Federation of Women's Clubs) and Don Cowell (another Quaker Oats executive) are serving as co-chairmen.

Many of the organizations participating also are represented on the board of directors for the Foundation for American Agriculture, in which Bennett is active.

"The Foundation has been going for eight years as a top policy-making body for agriculture and industry," said Bennett. "But we need more impact. Some of the corporations in the Foundation spend millions on advertising alone. What we're trying to do now, is utilize these great advertising and public relations facilities to bring farm-city and farm-industry cooperation closer."

Bennett added that each Conference member is earmarking members of its staff to handle IGHUGS. Some, like the Grange League Federation, are already working on literature.

The group's headquarters are in the Merchandise Mart in Chicago. Next project of the Conference is the sponsorship of a Farm-City Week, to be held early in October.





(FEB. 5 - 11)

## floor action

### CANCEL CCC DEBTS

Both houses of Congress agreed Feb. 9 to discharge indebtedness of the Commodity Credit Corporation by canceling U.S. Treasury notes for \$681,769,703.

The action came on acceptance of a conference report on a resolution (H J Res 358) which provided some \$60 million less than the \$741,548,788 requested by the CCC. The House had approved the full amount Jan. 27 (CQ Weekly Report p. 125.) A compromise was reached by conferees Feb. 5.

As agreed to by House and Senate and sent to the President, the legislation would provide note cancellation to cover losses as follows:

CCC capital impairment	\$550,151,848
International Wheat Agreement	129,553,795
Eradication of foot-and-mouth disease	2,064,060
Total	\$681,769,703

The conference committee's cut in the house version of the bill reflected disallowance of listed losses on dried milk and tobacco.

The debt-cancelling legislation was intended as an emergency measure to restore some of CCC's price support funds, depleted because of crop surpluses. Meanwhile, Congress is considering other legislation to increase CCC's borrowing authority from \$6,750,000,000 to \$8,500,000,000. (For story on CCC finances, see pages 177, 178.)

### SENATE DEBATE

The Senate held lengthy debate on the conference report. Sen. John J. Williams (R Del.) objected to the method by which the appraisal of CCC losses had been made, and asserted that the report did not reflect the facts. "...the point is that we should bring the price tag out into the open. Every transaction should be open and above-board, which has not been the case in years past. We are not doing it today."

Sen. Milton R. Young (R N.D.), urging adoption of the report, told the Senate that Secretary of the Treasury George M. Humphrey approved the procedure followed in making the appraisal.

Sen. George D. Aiken (R Vt.) also supported the conference report: "In my opinion there is an emergency, and failure to approve the report could create lack of confidence in the government and in Congress."

Sen. Spessard L. Holland (D Fla.) charged that if last year the 90 per cent parity program had been cut down "much nearer the 75-per cent minimum, we would not have had anything like the tremendous production of butter, cheese and dried milk and these terrible losses to write off."

Sen. Clinton P. Anderson (D N.M.) disagreed with the figures presented in the conference report, saying: "I shall vote against the report merely because I do not feel the conferees should have attributed such heavy losses to butter and various other commodities and take a commodity like dry skim milk and handle it as they did, not showing any loss."

The Senate accepted the conference report on a 49-10 roll call vote. (For voting, see page 184.)

### HOUSE ACTION

There was little debate on the conference report in the House which acted first on the measure.

Rep. H. Carl Andersen (R Minn.) in calling up the compromise measure told the House that it should be accepted since "it certainly meets the objections in part, of those who were opposed to it." The conference recommendations were accepted by voice vote. A motion to reconsider was tabled.

### CCC STORAGE

The Senate Feb. 9 approved by voice vote a bill (S 1381) to amend the Agricultural Act of 1949 to allow the Commodity Credit Corporation to rotate its stock of commodities when deterioration, questionable storage, age, or small quantities make sale of commodities desirable. The bill would exempt such sales from the minimum price requirement.

The Senate Agriculture Committee reported the measure Jan. 11 (S Rept. 844).

### COMMODITY EXCHANGE

The Senate Feb. 9 gave voice vote approval to a bill (S 1990) to strengthen the enforcement and investigation provisions of the Commodity Exchange Act. Sen. George D. Aiken (R Vt.) said the bill would give the Secretary of Agriculture and the Commodity Exchange Commission "the same rights to issue subpoenas for investigational purposes and to seek injunctions" now used by other "regulatory commissions of the government."

The measure was reported by the Senate Agriculture Committee Jan. 11 (S Rept. 839).

### COFFEE REGULATION

The Senate Feb. 10 approved and sent to the House a bill (S 1386; S Rept. 929) to amend the Commodity Exchange Act to include coffee as a commodity subject to regulation. Approval was by voice vote. The measure was reported from the Agriculture and Forestry Committee Feb. 3. (CQ Weekly Report, p. 161.) The Senate Banking and Currency Committee also is conducting a study. (For other coffee developments, see pages 187, 193.)

## WOOL TRADING

The Senate by voice vote Feb. 9 approved a bill (S 2313) to amend the Commodity Exchange Act to include wool among the commodities regulated under the Act. The Senate Agriculture reported the bill Jan. 11 (S Rept. 840).

## BRICKER AMENDMENT

The Senate's attention in the treaty powers debate switched to Sen. Walter F. George's (D Ga.) amendment to S J Res 1, Sen. John W. Bricker's (R Ohio) proposed Constitutional amendment to curb the power to make and implement treaties and international agreements. (CQ Weekly Report, pp. 154-156.)

Feb. 9, it was learned that George had submitted to the Republican leadership new language to make clear that his amendment would not restrict the President's power to receive foreign envoys and to act as commander-in-chief.

Feb. 5, George told the Senate that the President "cannot defend" a claim that he should possess powers which might allow "one-man rule" through international agreements.

Majority Leader William F. Knowland (R Calif.) asked George to add a proviso specifically exempting the two Presidential powers from the restrictions on agreements, but George declined. He warned that enumerations lead to unintentional exclusions. Bricker said Knowland's proposal would "completely nullify any meaning that amendment has..."

Sen. Thomas C. Hennings, Jr. (D Mo.) warned that the George amendment would not only shift powers from the President to Congress, but from the states to the federal government. The President, he said, would be encouraged to use agreements instead of treaties.

Arguing in similar vein, Sen. Wayne Morse (I Ore.) said S J Res 1 and all proposed revisions should be re-committed.

Bricker listed opponents of S J Res 1 who he said are involved in the world-government movement. (Congressional Record, Feb. 5, 1954, pp. 1341-44.) After the Feb. 5 session, consideration of S J Res 1 was suspended. The floor debate resumed full scale Feb. 11.

Feb. 6, Bricker said he would negotiate on no more compromises until after a Senate vote on his Feb. 4 amendment. (CQ Weekly Report, p. 155.)

Feb. 10 Sen. James O. Eastland (D Miss.) suggested that President Eisenhower be exempted from application of S J Res 1, at least during his current term. Knowland said Feb. 11 that the proposed exemption would not change the President's stand against S J Res 1.

## PASSAMAQUODDY

By voice vote and without debate, the Senate Feb. 10 adopted a resolution (S J Res 12) authorizing the appropriation of up to \$3 million for a survey of the proposed Passamaquoddy tidal power project. The Senate Foreign Relations Committee reported the measure Jan. 19. (CQ Weekly Report, p. 91).

Under the resolution, which now goes to the House, the International Joint Commission on U.S.-Canadian Boundary Waters would determine whether the project is "economically feasible."

It was recalled that Congress in 1936 cut off funds for the Passamaquoddy project, started while the late Franklin D. Roosevelt was President. Republicans made the project a campaign issue in 1934 and 1936, calling "Quoddy" a \$30 million New Deal boondoggle.

## ARMED FORCES CEILING

The Senate Feb. 8 amended, then passed by voice vote, a House-approved bill (HR 2326) to extend the 1950 suspension of the 2,005,882 ceiling on active duty strength of the armed forces. (CQ Weekly Report, p. 126).

The House had passed the bill Jan. 27 extending the suspension from July 31, 1954, to July 31, 1958. The Senate agreed by voice vote to an amendment to suspend the peacetime ceiling until only July 31, 1957.

## 13 ACRES AND MORSE

After ordering the sergeant at arms to round up a quorum, the Senate Feb. 10 passed by voice vote and sent to the House a bill (S 666; S Rept. 716) to cede to Jackson, Wyo., a 10-acre tract of land and three-and-one-half acres of right-of-way. Sen. Wayne Morse (I Ore.), who objected to lack of payment for the land and facilities, refused to permit a vote in the absence of a quorum. He appeared to be the only Senator who voted against the bill.

Approving the bill in a July 28, 1953, letter to Chairman Hugh Butler (R Neb.) of the Senate Interior and Insular Affairs Committee, Assistant Secretary of the Interior Orme Lewis said \$500 would be a "liberal estimate" of the facilities' value.

The land was donated to the government by the Jackson Lions Club as a Fish-Cultural Station in 1937. The station was discontinued in 1947. Sen. Lester C. Hunt (D Wyo.), sponsor of the bill, said the Lions want to give the land to the Boy Scouts.

Morse insisted on application of the "Morse formula" -- set up in 1946 with Sens. Harry Flood Byrd (D Va.) and Leverett Saltonstall (R Mass.) as an informal rule of the thumb -- which calls for compensation to the federal government for conveyance of surplus property. He suggested that the Jackson Lions "pass the tin cup" to collect 50 per cent of the \$500 value.

## Senate Vote: Commodity Credit Corporation

9. **Commodity Credit Corporation (H J Res 358).** Conference Report. Discharge indebtedness of the Commodity Credit Corporation amounting to \$681,769,703 (\$550,151,848 in capital impairment, \$129,553,795 for implementing the International Wheat Agreement, and \$2,064,060 for the program to eradicate foot and mouth disease). Adoption of conference report. Adopted, 49-10, Feb. 9. (See story, page 182.)

### RECORD VOTES

## DECLARED STANDS

**FOR: Y (yea)**

✓ Announced For, Paired For, CQ Poll For.

**AGAINST: N (nay)**

**X Announced Against, Paired Against, CQ Poll Against.**

**NOT RECORDED:**

? Absent, General Pair, "Present," Did not announce or answer CQ Poll.

**NOT ELIGIBLE:**

— Not a Member when this vote was taken.

TOTAL VOTE			9			REPUBLICANS			9			DEMOCRATS			9			
			YEAS	49					YEAS	23					YEAS	26		
			NAYS	10					NAYS	1					NAYS	9		
			9				9				9				9			
<b>ALABAMA</b>				<b>IOWA</b>				<b>NEBRASKA</b>				<b>RHODE ISLAND</b>						
Hill (D)	Y			Gillette (D)			Y	Butler (R)			Y	Green (D)			?			
Sparkman (D)	Y			Hickenlooper (R)			Y	Griswold (R)			?	Pastore (D)			?			
<b>ARIZONA</b>				<b>KANSAS</b>				<b>NEVADA</b>				<b>SOUTH CAROLINA</b>						
Goldwater (R)	?			Carlson (R)			Y	Malone (R)			?	Johnston (D)			N			
Hayden (D)	Y			Schoeppel (R)			Y	McCarran (D)			?	Maybank (D)			Y			
<b>ARKANSAS</b>				<b>KENTUCKY</b>				<b>NEW HAMPSHIRE</b>				<b>SOUTH DAKOTA</b>						
Fulbright (D)	?			Clements (D)			N	Bridges (R)			?	Case (R)			Y			
McClellan (D)	Y			Cooper (R)			?	Upton (R)			?	Mundt (R)			?			
<b>CALIFORNIA</b>				<b>LOUISIANA</b>				<b>NEW JERSEY</b>				<b>TENNESSEE</b>						
Knowland (R)	Y			Ellender (D)			Y	Hendrickson (R)			Y	Gore (D)			Y			
Kuchel (R)	✓			Long (D)			Y	Smith (R)			Y	Kefauver (D)			?			
<b>COLORADO</b>				<b>MAINE</b>				<b>NEW MEXICO</b>				<b>TEXAS</b>						
Johnson (D)	Y			Payne (R)			Y	Anderson (D)			N	Daniel (D)			Y			
Millikin (R)	?			Smith (R)			Y	Chavez (D)			?	Johnson (D)			Y			
<b>CONNECTICUT</b>				<b>MARYLAND</b>				<b>NEW YORK</b>				<b>UTAH</b>						
Bush (R)	Y			Beall (R)			Y	Ives (R)			?	Bennett (R)			✓			
Purtell (R)	Y			Butler (R)			?	Lehman (D)			Y	Watkins (R)			?			
<b>DELAWARE</b>				<b>MASSACHUSETTS</b>				<b>NORTH CAROLINA</b>				<b>VERMONT</b>						
Frear (D)	N			Kennedy (D)			N	Hoey (D)			?	Aiken (R)			Y			
Williams (R)	N			Saltonstall (R)			?	Lennon (D)			?	Flanders (R)			✓			
<b>FLORIDA</b>				<b>MICHIGAN</b>				<b>NORTH DAKOTA</b>				<b>VIRGINIA</b>						
Holland (D)	N			Ferguson (R)			Y	Langer (R)			Y	Byrd (D)			N			
Smathers (D)	?			Potter (R)			?	Young (R)			Y	Robertson (D)			Y			
<b>GEORGIA</b>				<b>MINNESOTA</b>				<b>OHIO</b>				<b>WASHINGTON</b>						
George (D)	Y			Humphrey (D)			Y	Bicker (R)			?	Jackson (D)			Y			
Russell (D)	Y			Thye (R)			?	Burke (D)			N	Magnuson (D)			?			
<b>IDAHO</b>				<b>MISSISSIPPI</b>				<b>OKLAHOMA</b>				<b>WEST VIRGINIA</b>						
Dworshak (R)	Y			Eastland (D)			✓	Kerr (R)			✓	Kilgore (D)			N			
Welker (R)	Y			Stennis (D)			Y	Monroney (D)			Y	Neely (D)			Y			
<b>ILLINOIS</b>				<b>MISSOURI</b>				<b>OREGON</b>				<b>WISCONSIN</b>						
Dirksen (R)	Y			Hennings (D)			Y	Cordon (R)			Y	McCarthy (R)			?			
Douglas (D)	✓			Symington (D)			Y	Morse (I)			✓	Wiley (R)			?			
<b>INDIANA</b>				<b>MONTANA</b>				<b>PENNSYLVANIA</b>				<b>WYOMING</b>						
Capehart (R)	?			Mansfield (D)			Y	Duff (R)			?	Barrett (R)			Y			
Jenner (R)	?			Murray (D)			Y	Martin (R)			Y	Hunt (D)			Y			



(FEB. 5 - 11)

## committee roundup

### Committee Assignments

**EDUCATION AND LABOR** -- The House Feb. 9 adopted a resolution (H Res 440) electing Rep. Clifton Young (R Nev.) to membership on the Education and Labor Committee. Young also is a member of the Interior and Insular Affairs Committee.

**INTERSTATE AND FOREIGN COMMERCE** -- Chairman John W. Bricker (R Ohio) of the Senate Interstate and Foreign Commerce Committee Feb. 5 announced chairmanships for various Subcommittees, as follows:

Surface Transportation -- Andrew F. Schoeppel (R Kan.)  
Communications -- Charles E. Potter (R Mich.)  
Aviation -- Dwight Griswold (R Neb.)  
Water Transportation -- John M. Butler (R Md.)  
Fisheries and Wildlife -- James H. Duff (R Pa.)  
Business and Consumer Interests -- William A. Purtell (R Conn.)

### Action

**TAX REVISION** -- The House Ways and Means Committee continued work on an overall tax revision bill. (CQ Weekly Report, p. 164.)

FEB. 5 --

The House group recommended changes in taxation of foreign income earned by U.S. businessmen. Included was a proposal for a 14 per cent tax cut on income of domestic corporations earned through business operations abroad. The present maximum tax rate on U.S. corporation income is 52 per cent. Authorities estimated the Feb. 5 tax proposals would mean an annual tax saving for U.S. businessmen of \$155 million.

FEB. 8 --

The group reversed its earlier position and withdrew a recommendation for taxing the interest on local public housing bonds. Rep. Herman P. Eberharter (D Pa.) had charged Feb. 4 that the original provision was "an attempt to kick to death the already anemic public housing program."

The Committee also voted to modify its original recommendation to take certain state and local industrial development bonds out of the tax-exempt class. The new plan would leave these bonds tax-free, but disallow business expense tax deductions for rent and lease payments to the city by firms benefitting from the bonds. (CQ Weekly Report, p. 91.)

FEB. 9 --

The Committee approved a provision which would allow farmers to deduct soil and water conservation expenses from their taxable income. The deduction would be limited in any single year to 25 per cent of the farmer's gross income. The estimated saving for farmers would total about \$10 million annually.

The House unit also recommended easing the taxation of trusts and estates, and the penalty tax on surplus accumulated earnings of corporations which are not distributed as dividends to shareholders.

FEB. 10 --

The group proposed that where a taxpayer sells his home and buys another, he be allowed to claim deductions for such expenses as sales commissions, and "fixing up" incurred prior to the sale. Under existing law, a person can avoid paying taxes on profits from sale of his house only if the full sale price is reinvested in another home within a year -- 18 months if he builds. The change would in effect allow the taxpayer to reduce his book profits, and a lower net on his old home would mean less would have to be invested in his new one to avoid paying taxes on sale profits.

The Committee also recommended extending to Jan. 1, 1955 a provision allowing servicemen up to four years to buy a new home before paying taxes on profits from sale of his old one. Another recommendation would allow inventors, who receive most of their income in one year for services extending over several years, to spread their income for tax purposes over a maximum five-year period instead of the present three-years.

Several Committee members said the only major point in President Eisenhower's 25-point tax revision plan which they would not accept was the proposal to shift corporation income taxes so that four equal quarterly payments could be made. Under present law, most corporations will pay their taxes for 1954 in two installments. As of Feb. 9, 19 of the President's proposals had been approved by the Committee.

FEB. 11 --

Rep. Hale Boggs (D La.) said there was a chance the House group would recommend an increase in personal income tax exemptions. He said several GOP members had indicated they were ready to reverse their stands against such a tax cut. Boggs' proposal had been voted down once by the Committee. (CQ Weekly Report, p. 91.)

(For the Committee's general approach to tax revision, see pages 173, 174.)

**POSTAL RATES** -- The House Post Office and Civil

Service Committee Feb. 5 voted to report a bill (HR 6052) to increase postal rates on almost all types of mail except parcel post, post cards, books and catalogues. The measure embodied most of the proposals made by Postmaster General Arthur E. Summerfield during hearings on the bill in 1953. (CQ Almanac, 1953, Vol. IX, pp. 362-3; CQ Weekly Report, pp. 161, 172.)

It was estimated that if all proposed rate increases took effect, the increase in Post Office Department revenues would amount to \$240,565,000--with the largest slice of \$159 million from the rate boosts on first-class mail. These were the major rate adjustments proposed by the House group:



**First-class mail:** Increase the rate from three to four cents on the first ounce of letter mail sent out-of-town and hike domestic airmail rates from six to seven cents an ounce.

**Second-class mail:** Raise the rates by a cumulative 30 per cent at the rate of 10 per cent a year for three years beginning April 1, 1955. This was the third in a series of 10 per cent boosts first authorized in 1952.

**Third-class mail:** Set the rate for each piece of such mail at three cents for the first ounce, and 1½ cents for each additional ounce; boost the rate on bulk mail to 16 cents per pound; increase the fee for a bulk mailing rate permit from \$10 a year to \$50 a year, and allow payment of \$15 for a three-month permit.

Under the Committee bill, the second-class mail boosts would take effect April 1, 1955, all other rates on Jan. 1, 1955.

**ALASKA -- The Territories and Insular Possessions Subcommittee of the House Interior and Insular Affairs Committee Feb. 9 approved HR 1570, a bill to permit Alaska to lease school lands for periods up to 55 years, and HR 2683 a bill to extend the Alaska Public Works Act four years until June 30, 1959.**

Following his testimony in favor of the two measures, B. Frank Heintzleman, governor of Alaska, told the Subcommittee that though he had previously questioned the ability of Alaska to finance services which it would be required to provide as a state, the Feb. 4 approval by the Senate Interior Committee of an original bill to grant statehood convinced him that Alaska would be able "to get by its critical period...very nicely." (CQ Weekly Report, p. 162.)

**SHIP SCRAPPING -- The House Merchant Marine and Fisheries Committee Feb. 9 voted to investigate the decision by the Maritime Administration to scrap a \$10,000,000 cargo vessel, the Cornhusker Mariner, which had been damaged off Korea and towed to Sasebo, Japan.**

**ALIEN PROPERTY -- The Senate Judiciary Committee Feb. 8 approved and adopted for its own a report released Jan. 30 by the Committee's special Subcommittee to investigate the Trading With the Enemy Act. (CQ Weekly Report, p. 166.)**

**SMALL BUSINESS -- The Senate Small Business Committee Feb. 5 adopted a set of rules designed to prevent changes in the record of testimony. A new rule stipulates that no revisions may be made which would change the meaning of a question or remark. Only corrections of grammatical and transcription errors will be permitted.**

### Conference Action

**RETIREMENT -- Senate-House conferees agreed Feb. 11 on a compromise version of a bill (S 2175) liberalizing pensions for Members of Congress and Congressional employees. As originally approved by the Senate, the measure would have revised Congressional employees' retirement only, but the House amended the bill Feb. 2. (CQ Weekly Report, p. 157.)**

The compromise would:

Allow Members to include up to five years of military service in computations for total service, even though the service occurred before coming to Congress

Allow Members to compute salary from 1947 on at a higher base pay (salaries went from \$10,000 to \$12,500 in 1947, and up to \$15,000 in 1953)

Allow widows and dependents of Members who die in office to get pension benefits

Permit Members to draw pensions at 60 after 10 years of service, at a slightly reduced rate. (A House provision which would have reduced the benefit age to 55 was not agreed to.)

At present Members can get a pension at 62 after six years' service. They contribute six per cent of their salaries toward a pension fund. Their pensions are 2.5 per cent of average salary, multiplied by the number of years of service. (These provisions would remain the same.)

The employees, under the compromise, would be allowed to use a figure of 2.5 per cent for 15 years, instead of the present 1.5 per cent, of salary in computing pension figures. After 15 years' service, the 1.5 per cent figure would apply. The percentage is then multiplied by the average salary over any consecutive five-year period.

### New Hearings

**MEXICAN FARM LABOR -- The House Agriculture Committee held hearings Feb. 5-11 on a proposal (H J Res 355) to recruit agricultural workers from Mexico without an agreement with the Mexican government.**

Testimony favoring the resolution was presented Feb. 5. Matt Triggs, assistant legislative director of the American Farm Bureau Federation, commended the Labor, State and Justice Departments on their initiative in forming a unilateral program to meet a shortage of domestic labor. John Q. Adams, Harlingen, Tex., lawyer, told the Committee agriculture in the Rio Grande valley is dependent on laborers from Mexico and that American farm laborers will not do the "stoop labor" required.

California Republican Reps. Robert C. Wilson, John Phillips, and Leroy Johnson, Rep. Antonio M. Fernandez (D N.M.), and John J. Riggle, representative of the National Council of Farmer Cooperatives, urged approval.

Feb. 8, a statement by CIO President Walter P. Reuther was presented by R. J. Thomas, CIO assistant executive vice president. Reuther declared that operation of the recruitment program would increase unemployment, depress wages and working conditions of Americans, and aggravate problems of subversive infiltration, crime, dope traffic and disease. Thomas declared that unemployment is so great in the United States that even if the recently expired agreement with Mexico is renewed, no alien labor should be brought in at this time. Irwin DeShetler, Los Angeles, regional CIO director, advocated a new farm labor agreement with Mexico. John Edelman and Paul Sifton of the CIO legislative committee also testified.

Chairman Clifford R. Hope (R Kan.) made public a letter from Mexico's ambassador, Don Manuel Tello, in which he quoted Mexican President Don Adolfo Ruiz Cortines as saying "It is not a problem but an incident which must be solved in the spirit of good neighborliness." Katherine Ellickson, Labor Advisory Committee, Department of Labor, also testified Feb. 8.

Feb. 9 Walter J. Mason of the AFL's national legislative committee said his union opposed the proposed legislation and declared "there is no urgent, immediate demand" for Mexican farm labor. He favored a new pact with Mexico which would protect standards of both American and Mexican workers.

J. Banks Young, Washington representative, said the National Cotton Council supports the resolution but recommends that it be made clear that the Secretary of Labor, in recruiting workers, is not to enforce collective bargaining upon American agriculture.

Also in support were Reps. George H. Mahon (D Tex.), James B. Utt (R Calif.), John J. Rhodes (R Ariz.) and O. C. Fisher (D Tex.), who declared that failure to pass the measure would mean an increase in the flow of "wetbacks" into the country.

Rep. Harold D. Cooley (D N.C.) opposed the resolution on the grounds it would "legalize these illegals" and offend Mexico.

Ernesto Galarza, director of research and education, National Agricultural Workers Union, AFL, Feb. 10 reported his organization did not oppose the principle of recruitment of Mexican farm workers but advocated administrative changes to protect against displacement of American workers.

Feb. 11 Robert C. Goodwin, director of the Bureau of Employment Security, Department of Labor, indicated in his testimony that passage of H J Res 355 would strengthen the position of U.S. Ambassador Francis White in negotiating a new agreement with Mexico.

Dave Beck, general president, International Brotherhood of Teamsters filed a statement Feb. 11 with the Committee asking that it give "sympathetic support to any negotiations that will result in a new agreement with the Mexican government on a basis that will protect workers of both countries." He said cheap Mexican labor was a threat to the living standards and jobs of Teamster members in warehouses, produce markets and the transportation industry.

**COFFEE PRICES** -- A Senate Banking and Currency special subcommittee to investigate recent rises in the price of coffee began hearings Feb. 8 (CQ Weekly Report, pp. 161, 171.) as the Senate Feb. 10 approved a bill (S 1386) to regulate coffee trading (see page 182.)

Gustavo Lobo, Jr., president and Leon Israel, vice president of the New York Coffee and Sugar Exchange, agreed that there was no price drop in sight for American coffee consumers. Both added that if present consumption kept pace with the 1953 rate there might be "no coffee left in Brazil."

Israel said everything would "depend on what the demand would be....We know what the supply will be." Assuming "normal demand," he asserted, "I don't see any (price) drop in the immediate future." Israel also said that "speculation hasn't hurt any" in the fight to stabilize prices, and may actually have operated to lower prices.

Chairman J. Glenn Beall (R Md.) said the testimony proved there was no shortage of coffee "at this time" and that present consumption is "unaffected by the frost of last summer (in Brazil)."

Feb. 9 Lobo and Israel testified they believed all Exchange members would be willing to submit the names of their customers. Alfred Boedtker of the Volkart Brothers Company declined to list customers except under subpoena.

**HINCKS NOMINATION** -- A Senate Judiciary subcommittee held a hearing Feb. 4 on the nomination of Carroll C. Hincks of Connecticut as U.S. Circuit Court of Appeals judge for the Second Circuit (New York, Connecticut and Vermont.)

Both Connecticut Senators -- Prescott S. Bush (R) and William A. Purtell (R) -- endorsed Hincks, but he was opposed by Mrs. Minniola O. Miller of Suffield, Conn. She charged that she was illegally deprived of property by Saul Berman, Connecticut referee in bankruptcy, and that Hincks as chief judge of the U.S. District Court for Connecticut should have known about and prevented it.

Hincks testified he had known Berman for 25 years and "I know of nothing to suggest anything wrong in his office."

Chairman William Langer (R N.D.) ordered a decision temporarily postponed after accepting into the record letters of endorsement from the American and Connecticut Bar Associations.

## Continued Hearings

**ECONOMIC REPORT** -- The Joint Committee on the Economic Report continued hearings on President Eisenhower's economic program. (CQ Weekly Report, p. 1f2.)

FEB. 5 --

Commissioner Ewan Clague of the Bureau of Labor Statistics told of increases in unemployment, but said the January total for employment in the manufacturing industry was the highest for any January in the post-war period, except 1953.

Robert C. Goodwin, Director of the Bureau of Employment Security, estimated unemployment in the first half of 1954 will average 2.6 million, then drop to 2 million for fiscal 1955. He said it was "entirely possible" there would be a "fairly rapid expansion" of business in the last half of 1954.

FEB. 8--

The group heard from a panel of non-government economists. Dexter M. Keezer, economist for the

McGraw-Hill Publishing Company, Inc., said U.S. business in 1954 plans to spend only \$1 to \$1.5 billion less for new plant and equipment than the record \$27.8 billion spent in 1953.

Walter Hoadley, economist of the Armstrong Cork Company, said there might be a 10 per cent drop in new housing starts in 1954, but the market for "fix-up" work on existing homes is increasing. Stanley H. Ruttenberg, CIO economist, called for more emphasis on increasing consumer purchasing power. Anthony Valente, president of the AFL United Textile Workers of America, said the industry "is depressed."

#### FEB. 9--

Rensis Likert, director of the Institute for Social Research at the University of Michigan, said a recent survey indicated consumers "were relatively optimistic about the next 12 months." George P. Hitchings, manager of the economic analysis department of the Ford Motor Company, forecast that 1954 spending for durable goods would be "at least as high as in 1952," and the automobile industry would return to "more normal market conditions."

Gerhard Colm, chief economist for the National Planning Association in Washington, said "We cannot be too happy if the outlook is for a level of economic activity only somewhat below that of last year."

#### FEB. 10--

Robert Moses, New York City Construction Coordinator filed a statement in support of "advance planning" of a federal public works program to help combat any serious economic downturn. George W. Mitchell, vice-president of the Federal Reserve Bank of Chicago, said public works are "unsuitable as an anti-recessionary tool except in severe and prolonged depression."

Roger A. Freeman, special assistant to the Governor of Washington State, testified it is "very unlikely" state and local governments will boost their public works programs at...a drastic rate unless stimulated into doing so by a vast expansion of the federal grants-in-aid-system."

#### FEB. 11--

Three farm economists criticized President Eisenhower's farm program. Clyde Mitchell, professor of agricultural economics at the University of Nebraska, said a switch from rigid to flexible supports "is a change for the worse." John K. Galbraith, Harvard economics professor, said the Eisenhower program "virtually continues all of the shortcomings of the present one."

Louis H. Bean, private economic consultant, said he was "doubtful" about the plan to export surplus farm products. The only witness of the day favoring the Administration farm program was L. J. Norton, economics professor at the University of Illinois.

**BEESON NOMINATION** -- The Senate Labor and Public Welfare Committee concluded public hearings Feb. 5 on the nomination of Albert C. Beeson as a member of the National Labor Relations Board. (CQ Weekly Report, p. 165).

Paul L. Davies, president of Food Machinery and Chemical Corporation, San Jose, Calif., testified that Beeson had been given a one-year leave of absence from the firm to take the NLRB job, which has brought the Democratic charge of "conflict of interest." (CQ Weekly Report, p. 165.) Beeson has been vice-president in charge of labor relations for the last seven years.

Beeson then testified he would give up his pension rights with the firm if that "will make the Democrats happier." Committee Republicans said they would press for Beeson's confirmation.

**TAFT-HARTLEY** -- The Senate Labor and Public Welfare Committee Feb. 9 concluded hearings on the President's 14-point program to revise the Taft-Hartley labor law. (CQ Weekly Report, p. 164).

#### FEB. 8 --

The National Association of Manufacturers opposed the President's proposals to liberalize restrictions against secondary boycotts and to authorize special boards to investigate national emergency disputes. George W. Armstrong, Jr., chairman of the NAM Industrial Relations Committee, proposed that a secret strike vote be held only when requested by either the employer or the union involved.

In a statement filed with the Committee, George Meany, president of the AFL, cited the strike vote plan as "extremely dangerous." Former Rep. Fred A. Hartley, Jr., co-author of the Taft-Hartley Law, expressed opposition to most of the 14 proposed changes.

Matt Triggs, speaking for the American Farm Bureau Federation, said the organization was "strongly opposed to enactment" of the bill (S 2650) embodying the President's Taft-Hartley recommendations. He said the bill "substantially weakens the Taft-Hartley Act in a number of important respects."

#### FEB. 9 --

At the closing session, James C. Moore, general counsel for the National Automobile Dealers Association, said retail firms should be under the jurisdiction of the states rather than under federal law.

Sen. H. Alexander Smith (R N.J.), chairman of the Senate Labor group, said the Committee would begin drafting a Taft-Hartley revision bill about March 1.

Chairman Samuel K. McConnell, Jr., (R Pa.) of the House Education and Labor Committee said Feb. 9 his group would vote about Feb. 17 on a motion by Rep. Cleveland M. Bailey (D W. Va.) to drop for 1954 consideration of Taft-Hartley law changes.

#### FOREIGN AID --

In a closed-door session Feb. 5, Harold E. Stassen, director of the Foreign Operations Administration, told the Senate Foreign Relations Committee that the Administration plans to ask for \$3.5 billion in foreign aid appropriations for fiscal 1955. He said \$2.5 billion of the request would be for military aid programs.



**REDS IN MILITARY** -- A transcript released Feb. 6 of a closed Senate Permanent Investigations Subcommittee hearing held last September 21, said that Chairman Joseph R. McCarthy (R Wis.) called Major Gen. Richard C. Partridge, then chief of Army Intelligence, "completely incompetent" for his job. The hearing was attended by Secretary of the Army Robert T. Stevens. (CQ Almanac, Vol. IX, 1953, pp. 344, 345.)

The Army announced Oct. 27, 1953 that Partridge had been transferred to Europe, but said the transfer had nothing to do with the hearing.

### Appropriations

**POST OFFICE** -- The House Appropriations Subcommittee on Treasury-Post-Office funds Feb. 5 released a transcript of testimony given at closed hearings from Dec. 8, 1953, to Jan. 12, 1954, on proposed \$2.8 billion fiscal 1955 appropriations for the Post Office Department.

At the hearings, Postmaster General Arthur E. Summerfield Dec. 8 testified that the Department deficit for fiscal 1955 would be \$329 million. He said the estimated deficit for fiscal 1954 would be only \$437 million, compared to a \$746 million deficit anticipated by the Truman Administration.

Summerfield also told the group that 166 postal employees had been fired as security risks, and that "there are many hundreds under investigation."

Sen. Olin D. Johnston (D S.C.) charged Feb. 7 that Summerfield's claims of large savings were "designed distortion". Johnston said the Department actually gained "a grand total of \$316 million" from higher postal rates and bookkeeping shifts of funds, rather than from cuts in spending.

**FOREST ROADS** -- Congressmen from six Western states Feb. 5 urged the House Appropriations Subcommittee on State, Justice and Commerce Department funds to boost the proposed appropriation of \$10 million for forest highway construction to at least \$22.5 million.

Making the request were Republican Reps. Russell V. Mack (Wash.), Walt Horan (Wash.), Jack Westland (Wash.), John J. Rhodes (Ariz.), Harris Ellsworth (Ore.) and Walter Norblad (Ore.).

**CIVIL FUNCTIONS** -- Sen. John L. McClellan (D Ark.) Feb. 9 told the Senate Appropriations Subcommittee on Civil Functions of which he is a member that he will do all he can to get a new appropriation of \$3 million to start construction of the proposed Table Rock Dam on the White River near the Arkansas-Missouri border. (CQ Weekly Report, p. 131).

**TECHNICAL AID** -- In a Feb. 6 report to the Senate Appropriations Committee, the Committee staff criticized some of the projects financed under the foreign technical aid program and said technical aid might "lose its identity" unless it was kept "from being merged completely with large-scale grants made for economic purposes."

The staff reported that technical aid funds were being used for such projects as building fishponds in Liberia, where, it was noted, the natural waters are "abounding in fish." The group concluded that a "cut-back in special economic funds at this stage will not result in a reduction in activity but rather will be an acknowledgement of the reality of the situation."

**JUSTICE DEPARTMENT** -- The House Appropriations Subcommittee on the Departments of State, Justice and Commerce Feb. 8 made public 1953 testimony given in closed-door sessions Dec. 7 to 10 on President Eisenhower's request for \$177,732,000 in appropriations for the Justice Department in fiscal 1955.

Assistant Attorney General Warren Olney III, head of the Justice Department Criminal Division, said Dec. 8 a "housecleaning" in the Division turned up some 20,000 "missing" letters, files and reports, among them the special report on Harry Dexter White, and a 1945 FBI report on Soviet espionage. (See page 198.)

FBI Director J. Edgar Hoover testified Dec. 9 that crime costs the nation \$20 billion annually, which, he said, means that the average cost for each family is \$495 a year. He also said the FBI workload has increased, and it now takes nine or 10 agents to do a "tailing" job that once could be done by one agent. He attributed this to the fact that the Communists were going underground.

Benjamin G. Habberton, acting commissioner of the Immigration and Naturalization Service said Dec. 10 that the "mass invasion" of illegal aliens "flooding the Southwest" was beyond the control of the U.S. border patrol. He warned that about "100 present and past members of the Communist party" have been entering the U.S. illegally from Mexico every day.

Attorney General Herbert Brownell, Jr., told the group there had been eight "security risk" dismissals in the Justice Department under the new loyalty program. (See page 193.)

### Reports, Recommendations

**GOVERNMENT IN BUSINESS** -- The House Government Operations Committee Feb. 9 filed a report (H Rept. 1197) in which the Subcommittee on Intergovernmental Relations recommended "vigorous" action to curb governmental operations in commerce and industry. (CQ Weekly Report, p. 10.)

Eleven Democratic members of the Committee refused to sign the report, objecting in "additional views" to "generalization" and "hazy conclusions" which could make the report "a political document."

Later reports on specific government enterprises are scheduled.

**CUBAN SUGAR** -- The House Agriculture Committee, which inspected the Cuban sugar industry Jan. 23-30, reported Feb. 5 that Cuban sugar producers face problems similar to those burdening American farmers -- reduced quotas and a squeeze between low prices and high costs.

Development of the kenaf industry, the Committee reported, holds promise for absorbing some of Cuba's unemployed sugar farmers. Kenaf is a fiber used for sacking. Production is being developed with U.S. Point Four assistance.

The Committee observed that the Sugar Act extension enacted in 1951 will not expire until the end of 1956. The Act, said the Committee, "has been one of our most successful agricultural programs." In his Jan. 11 message on agriculture, President Eisenhower recommended that the sugar program be "continued in its present form."

**UN-AMERICAN ACTIVITIES** -- The House Un-American Activities Committee Feb. 8 in its annual report (H Rept. 1192) declared that the overwhelming majority of American teachers and clergymen are loyal, but deplored that "a few" are Communists. The statement said the Committee has not and will not conduct a probe "of the clergy or religion." The group served notice that it expects to investigate and expose "various and sundry hate groups... spreading dissension, bigotry and intolerance."

"There are no degrees to subversion," continued the report. "It is not sufficient to be simply anti-Communist if one is anti-American at the same time."

The report asserted that no major industry employs "fewer members of the Communist Party than does the motion picture industry." It said individuals in the labor movement, "identified under oath as Communists" could seriously "hamper an American defense effort."

The report also said that Consumers Union should be deleted from the list of organizations the Committee considers subversive. The report invited other groups to take steps similar to those clearing Consumers Union. It did not describe the steps.

**MARITIME SUBSIDIES** -- The Maritime Subsidies Subcommittee of the Senate Interstate and Foreign Commerce Committee issued its preliminary report, dated Feb. 1. The Subcommittee, under Sen. Charles E. Potter (R Mich.), held hearings in 1953.

The Subcommittee reported that: No orders for ocean-going vessels had been placed in U.S. shipyards in 1953; "unjust foreign discrimination against U.S. shipping and marine insurance" continues; "there is an accelerating tendency" on the part of the government, through the Military Sea Transportation Service, "to dominate and pre-empt the privately owned merchant marine."

The Subcommittee urged a continuance of the policy, enunciated in foreign aid legislation, providing for 50 per cent of aid cargoes to be carried in American-flag vessels.

**INFORMATION PROGRAM** -- The Senate Special Subcommittee on the Overseas Information Program, headed by Sen. Bourke B. Hickenlooper (R Iowa) Feb. 10 filed its final report stating that "a solid foundation for further progress has been laid" and recommending a letup in Congressional investigations of the program.

What is needed most during the next three or four years, the Subcommittee reported, "is a period of stability and continuity in the direction of the information program, in which the policies now being developed can be applied and tested."

At the same time the Subcommittee made public testimony by Theodore C. Streibert, U.S. Information Agency director, that 31 employees were "terminated for security reasons" between Aug. 1, 1953, and Jan. 1, 1954.

**HELLS CANYON** -- In a report submitted Feb. 6 to the Senate Appropriations Committee, the Bureau of Reclamation said it might be better to build two dams on the Snake River below Hells Canyon instead of a single large dam at Mountain Sheep on the River.

The Bureau had previously favored building the single dam.

## Coming Up

**RFC PROBE** -- Sen. Frederick G. Payne (R Maine), Chairman of the Reconstruction Finance Corporation Subcommittee of the Senate Banking and Currency Committee, Feb. 10 said the committee staff was investigating the RFC's program for liquidating loans and assets. Payne said the full Committee will decide whether to hold public hearings or broaden the inquiry after seeing results of the preliminary probe.

**DEFENSE PLANT REDS** -- The Senate Permanent Investigations Subcommittee announced Feb. 11 it would reopen public hearings in Albany, N.Y., Feb. 19 in its inquiry into alleged Communist infiltration of defense plants. (CQ Weekly Report, p. 94.)

**UN-AMERICAN ACTIVITIES** -- Hearings of a House Un-American Activities subcommittee scheduled to begin in Lansing, Mich., Feb. 22 were postponed Feb. 11 for a month or more because of the illness of Chairman Kit Clardy (R Mich.) (CQ Weekly Report, p. 135.) Clardy, 61, was hospitalized Feb. 9 with a heart ailment. He was reported in "fair" condition by his physician.

**CIVIL SERVICE** -- The House Post Office and Civil Service Committee Feb. 5 postponed the start of its federal pay raise hearings from Feb. 8 until Feb. 16. Because of Lincoln birthday speaking engagements of Republican committee members.

## On Tour

**CANAL ZONE** -- Sens. Milton R. Young (R N.D.), Henry Dworshak (R Idaho), Allen J. Ellender Sr. (D La.) and John L. McClellan (D Ark.) Feb. 11 arrived in the Panama Canal Zone to study the cost of government activities there. All four are members of the Senate Appropriations Subcommittee on Civil Functions which has been holding hearings on Zone funds for fiscal 1955.



(FEB. 5 - 11)

## around the capitol

## CONVICTED CONGRESSMEN

The conviction of Rep. Ernest K. Bramblett (R Calif.) recalls other recent convictions of Members for various crimes. Since 1940, there have been four. Two others were acquitted and an indictment against a former Member is pending.

In 1940, Rep. B. Frank Whelchel (D Ga.) was indicted on charges that he conspired to sell and barter appointive offices. Then serving his third term in Congress, he was acquitted May 6, 1940.

On Jan. 18, 1946, Rep. James M. Curley (D Mass.), former mayor of Boston and governor of Massachusetts, was convicted of using the mails to defraud. He served five months. His 6-18 month sentence was commuted Nov. 26, 1947, and he was granted a full pardon by former President Truman April 12, 1950.

On July 3, 1947, former Rep. Andrew J. May (D Ky.) a former Chairman of the House Military Affairs Committee, was convicted of taking money for influencing the War Department and other agencies to give contracts to a munitions firm. He was paroled Sept. 18, 1950, after serving nine months of an 8-24 month sentence, and was granted a full pardon by Truman Dec. 24, 1950.

On Nov. 30, 1949, former Rep. J. Parnell Thomas (R N.J.), former Chairman of the House Un-American Activities Committee, pleaded nolo contendere (no contest) to indictment for payroll-padding and accepting salary kickbacks from employees. He was sentenced to serve from 6 to 18 months on Dec. 9, 1949, and was paroled Sept. 10, 1950. He was granted a full pardon by Truman Dec. 24, 1952.

Former Rep. Walter E. Brehm (R Ohio) was convicted April 30, 1951, on five counts of accepting campaign contributions from his Congressional office clerks, a violation of the Federal Corrupt Practices Act. He was sentenced June 11, 1951 to a 5-15 month prison term (which was suspended,) and a \$5,000 fine. His district was revamped and he did not run in 1952.

Former Rep. Leonard Irving (D Mo.), president of a labor union local, was indicted June 8, 1951, on charges of misusing union funds for his 1948 election campaign. He was acquitted Dec. 28, 1951.

Former Rep. Joseph E. Casey (D Mass.) was indicted Feb. 8, 1954, on charges of a conspiracy to defraud the government in the purchase of surplus ships. (See page 198.)

## HISTORIC CASES

There have been other interesting cases concerning Members of Congress.

Former Sen. Truman H. Newberry (R Mich.) was indicted Nov. 29, 1919, on a charge of conspiring to violate the Federal Corrupt Practices Act during the 1918

## Bramblett Convicted

Rep. Ernest K. Bramblett (R Calif.) Feb. 9 was convicted on seven counts of falsifying his office payroll and collecting the salary of an employee who did no work. (CQ Weekly Report, p. 168.) Bramblett was indicted June 17, 1953. His was the first conviction under the so-called "false statements" law.

Bramblett, 52, has represented California's present 13th District since 1947. He was at liberty on \$2,500 bail until an appeal is filed, and his attorney said an appeal will be carried "to the Supreme Court, if necessary." Bramblett faces a possible maximum sentence of 35 years in prison and \$70,000 fine.

Before submitting the case to the jury, U.S. District Judge for Washington Edward M. Bastian, denied a defense motion for acquittal on all 18 counts of the original indictment, but acquitted him on 11 charges for lack of evidence. The defense claimed the law under which Bramblett was indicted did not apply to the Legislative branch of the government, only to the Executive. Bastian ruled that if Congress had meant to exempt its Members from the law it would have specifically done so.

primary and general election campaigns. His opponent in the primary was Henry Ford. Newberry was convicted March 20, 1920, but the conviction was reversed by the Supreme Court May 2, 1921, on the ground that the Act did not apply to primary elections. Newberry resigned from the Senate Nov. 18, 1922.

John W. Langley (R Ky.) resigned in 1926 after his indictment for prohibition violation. He was elected to Congress again after his indictment, continued to serve in Congress after his conviction, and resigned from the House when he began his prison term.

Caleb Powers (R Ky.) was convicted in 1900 of complicity in the assassination of the state's governor and sent to prison. Historians report that the voters, believing him innocent, resolved to give him as many years in the House as he had served in prison. Granted a full pardon in 1908, Powers was elected to Congress in 1910 and served from 1911-1918.

## BRAMBLETT WON'T RESIGN

Bramblett's attorney, Edward B. Williams, told CQ Feb. 10 that, as far as he knew, Bramblett had no plans to resign from the House, where his Republican Party holds a 219-215 margin. The California Representative was reported Feb. 10 to have decided not to seek reelection. In 1952 he received 51 per cent of the vote cast in his 13th District.

The Constitution gives each house the right to expel a member "with the concurrence of two-thirds" and to "punish its Members for disorderly behavior." The House of Representatives has not expelled a Member since the Civil War.

## INDO-CHINA

Sen. Mike Mansfield (D Mont.) Feb. 8 launched a debate on U.S. aid to Indo-China. Discussion developed into criticism of the decision to dispatch 200 Air Force non-combatant technicians to that country.

Mansfield endorsed the decision, but asked if the U.S. may ultimately send air, naval, and ground combat forces, too. Majority Leader William F. Knowland (R Calif.) offered "categorical assurance" that the Administration did not plan to send ground troops, although "we could not be unconcerned" if the Chinese Communists should invade Indo-China. Chairman Leverett Saltonstall (R Mass.) of the Armed Services Committee reported that Secretary of Defense Charles E. Wilson had assured him the 200 technicians would be out of Indo-China by June 12.

Feb. 9, Sen. John C. Stennis (D Miss.), objecting to dispatch of the technicians, warned the Senate: "We are going to war, inch by inch."

Wilson Feb. 9 said he did not plan to send pilots or atomic cannons to Indo-China. President Eisenhower said Feb. 10 that aid to Indo-China was calculated to keep the U.S. out of a hot war there.

## PUBLIC ROADS

Chairman J. Harry McGregor (R Ohio) of the House Public Works Subcommittee on Roads Feb. 9 introduced a bill (HR 7818) which would provide for record-breaking expenditures for roads, highways, trails, bridges, and tunnels. (CQ Weekly Report, p. 167.)

HR 7818 would increase fiscal 1956 and 1957 authorizations for aid to states from \$575 million to \$800 million annually. It would authorize another \$75 million annually in fiscal 1956 and 1957 for the non-state-aid portion of the highway program. A total of \$20 million would be authorized for Latin American highway programs beginning in fiscal 1955.

The bill reportedly had Administration support, and President Eisenhower said Feb. 10 that he planned to request Congressional authorizations for increasing federal highway aid by the amount specified in HR 7818. The President said the increase would depend on Congressional cancellation of the half-cent cut in federal gasoline taxes scheduled for April 1, 1954. (CQ Weekly Report, p. 38.)

The full Public Works Committee scheduled hearings on the bill to begin Feb. 15.

## TVA DEBATE

The Tennessee Valley Authority was the subject of Senate debate Feb. 5. Sen. James O. Eastland (D Miss.) charged the Administration was putting TVA on a "starvation diet" and said he was worried about "propaganda" from "prominent Republicans" favoring sale of TVA assets. (For more on TVA, see pages 175, 176.)

Sen. William F. Knowland (R Calif.) countered that he was sure it was not Administration policy to "liquidate

or sell" TVA. Eastland said that Clarence Manion, chairman of the President's Commission on Intergovernmental Relations, had publicly "advocated" sale of TVA.

Sen. Albert Gore (D Tenn.) said Feb. 6 President Eisenhower's "reference to the TVA as creeping socialism and the budgetary strangulation of the TVA have not had a favorable effect on his popularity in the Valley, particularly in view of his campaign promises to the contrary."

## PRICE SUPPORTS

Sen. Hubert H. Humphrey (D Minn.) declared Feb. 9 the government's loss on farm support programs had been only \$1.1 billion during the last 20 years, "about 35 cents for each person in the United States." (For more on price support finances, see pages 177, 178.)

Humphrey said that government losses in handling newspapers and magazines as second-class mail in the past 20 years were nearly 2½ times the loss on farm price supports in that period and that government subsidies to business this year would virtually equal the 20-year loss on price supports.

## MAIL TUBE CONTRACT

Rising to a question of "personal privilege," Sen. Hubert H. Humphrey (D Minn.) Feb. 8 told the Senate that Postmaster General Arthur E. Summerfield and the "Minnesota Republican boss" were in "collusion" in a "grossly unfair political attack upon me."

Humphrey said that "graft, scandal and dereliction of duty" on his part were suggested by newspaper headlines arising from Summerfield's Dec. 30 statement accompanying his cancellation of pneumatic mail tube deliveries in New York City. Humphrey said that the Summerfield statement and resultant newspaper headlines implied Humphrey had been responsible for the original tube contract. Summerfield charged that the tubes cost the government \$1 million a year, that the work could be done by two trucks for a total of \$25,000 a year.

Humphrey sponsored a bill (S 4102, 81st Congress) in 1950 to allow the Post Office Department to contract for continuing the tube service, used since 1898. He said he introduced the legislation at the request of the Department and its then-head, Jesse M. Donaldson.

## POST OFFICE POLL

Sen. William F. Knowland (R Calif.) told the Senate Feb. 8 that the Department of Justice has upheld Postmaster General Arthur E. Summerfield's legal right to tell Members of Congress about the results of a public opinion poll he conducted which favored a general rise in postal rates.

Sens. Albert Gore (D Tenn.) and Olin D. Johnston (D S. C.) both challenged the propriety of the action in speeches Feb. 8, claiming it violated a federal law against using government money for lobbying purposes. Gore had asked the Justice Department for a ruling.



## WITNESS IMMUNITY

Proposed legislation (HR 6899) to grant immunity from prosecution to certain witnesses before Congressional committees was endorsed Feb. 5 by Attorney General Herbert Brownell, Jr. The bill is sponsored by Rep. Kenneth B. Keating (R N.Y.) (CQ Weekly Report, p. 34.) Brownell, in a letter to House Judiciary Committee Chairman Chauncey W. Reed (R Ill.) asked "immediate enactment" of the Keating measure.

## COFFEE

Besides a hearing by a Senate Banking and Currency subcommittee (see page 182), and Senate floor action (see page 187), there were other developments concerning coffee prices.

Sen. Margaret Chase Smith (R Maine) introduced a resolution Feb. 8 (S Res 211) requesting the President to stop U.S. importing of coffee from Guatemala until he is satisfied the country is not Communist-dominated and that Guatemalan coffee prices are reasonable.

The Inter-American Coffee Commission, with 14 members, Feb. 5 bid for U.S. support against what they termed a "campaign" to combat high prices by drinking less coffee. The State Department declined to cooperate, but agreed that "harm can be done" by "unjustified statements regarding the coffee situation."

The Columbian Ambassador told Under Secretary of State Walter Bedell Smith that a U.S. boycott on coffee would hurt sales of U.S. manufactured goods in Latin America.

Sens. George D. Aiken (R Vt.), Chairman of the Senate Agriculture and Forestry Committee, and Clinton P. Anderson (D N.M.), former Secretary of Agriculture, agreed that they could not blame Brazil and other coffee-producing countries if they held back supplies in order to improve prices. "We're doing exactly the same thing," said Aiken, "through government programs to help our farm prices."

## PROTEST ARAB AID

A group of 29 Representatives and six Senators Feb. 7 wrote to Secretary of State John Foster Dulles protesting proposals to send military assistance to Arab states. Senators signing the letter were: J. Glenn Beall (R Md.), Paul H. Douglas (D Ill.), Hubert H. Humphrey (D Minn.), Irving M. Ives (R N.Y.), Herbert H. Lehman (D N.Y.) and James E. Murray (D Mont.). The signers said the Arab states persist in an "economic boycott" against Israel and "continue in a technical state of war" with it.

## SECURITY FIRINGS

The Congressional and Administration debate over how many of the reported 2,200 security firings were disloyalty cases went on television. In a TV interview Feb. 9, Sen. Wayne Morse (D Ore.) charged President Eisenhower with responsibility for a "fascist big lie technique" and called for a breakdown on how many of the separated "security risks" were Communists. (CQ Weekly Report, p. 138.)

Rep. Leslie C. Arends (R Ill.) countered in a TV interview Feb. 11 that there was "no reason or...purpose" for giving the breakdown on the causes for firing the 2,200 federal employees. Arends said Morse had "impeached the honesty and integrity" of the President, and implied Mr. Eisenhower was "a liar."

Members of the House Appropriations Subcommittee on State Department funds said Feb. 10 that R.W. Scott McLeod, State Department security head, and Under Secretary of State Walter Bedell Smith had testified in secret session last year that of 534 "security" firings in the Department in 1953, 11 were discharged for "loyalty" reasons. The State Department declined to comment until a transcript of the hearings was made public.

## CONGRESSIONAL BRIEFS

### McCARTHY "IN ERROR"

Sen. Joseph R. McCarthy (R Wis.) Feb. 9 said he was "in error" when he stated Feb. 7 in Madison, Wis. that former Under Secretary of the Army John J. McCloy ordered records of Army Communists destroyed. The Senator in Los Angeles said McCloy, now president of the Chase National Bank, did not order the records destroyed, but did sign orders to commission and promote Communists in the Army.

### LEHMAN EXPLAINS VOTE

Sen. Herbert H. Lehman (D N.Y.) Feb. 9 told the Senate that he had voted Feb. 2 for a \$214,000 spending authorization for the Committee on Government Operations headed by Sen. Joseph R. McCarthy (R Wis.) because "to withhold all funds from a legally constituted committee of the Senate would furnish grounds for a plausible claim that the exercise of its proper functions had been sabotaged." He said he would continue to oppose "what has become known as McCarthyism," but he would not wish to "confuse my attitude toward methods and procedures of a Committee and its Chairman with my attitude toward the general investigatory powers of Congressional Committees." (CQ Weekly Report, p. 157.)

### DROP CONTEMPT CHARGE

Federal District Judge for New York John F. X. McGohey Feb. 11 dismissed a contempt of Congress charge against gambler Frank Erickson. Erickson was cited for contempt in 1951 for refusing to answer certain questions before the (Kefauver) Special Committee to Investigate Organized Crime in Interstate Commerce. (CQ Almanac, Vol. VII, 1951, pp. 343-4.) The charge was dismissed after a U.S. Attorney explained that recent court decisions made it "impossible" to convict Erickson.

### ASKS GLOBAL PROBE

Rep. Charles J. Kersten (R Wis.), Chairman of a special House Committee which is concluding an investigation of Soviet capture of Lithuania, Latvia and Estonia, Feb. 10 asked the House to authorize a global study of the fate of all peoples captured by world Communism.

## REFUGEE RELIEF BLOCKED

R. W. Scott McLeod, State Department official, reported to Congress Feb. 11 that it was "not possible" to put the 1953 refugee relief bill (P.L. 203) into operation except in Greece and Italy because some foreign governments "balked" at certain of its provisions. (The State Department Feb. 11 added that the Netherlands has now agreed to accept refugees back, under the same conditions as Italy and Greece.)

Congress last year authorized admission of 214,000 above-quota immigrants, but required that foreign governments issue refugees certificates guaranteeing their acceptance back into the country if the U.S. finds a visa was obtained by fraud. (CQ Almanac 1953, Vol. IX pp. 242-6). McLeod said some of the governments refused to issue the certificates because they "must be valid for an unlimited period."

## HOUSING BILL

Chairman Jesse P. Wolcott (R Mich.) of the House Banking and Currency Committee said Feb. 11 the Administration housing bill he plans to introduce will not specifically provide for a public housing program. Wolcott said legislative authority for public housing contained in the Housing Act of 1949 is "enough authorization to effectuate" the President's request for 35,000 units of public housing in each of the next four years. (CQ Weekly Report, p. 103.)

## WOOL PRODUCTION

Chairman George D. Aiken (R Vt.) of the Senate Agriculture and Forestry Committee Feb. 8 introduced a bill (S 2911) "to encourage the annual domestic production" of about 300 million pounds of wool. The bill called for support of the prices of wool and mohair through loans, purchases, and payments to producers. In his farm message to Congress Jan. 11, President Eisenhower urged compensating direct payments to wool producers when average wool prices fall below 90 per cent of parity. (CQ Weekly Report, p. 67.)

## HOSPITALS

Sen. Lister Hill (D Ala.) asserted Feb. 8 that the budget request of \$50 million for hospital construction under the Hill-Burton program for fiscal 1955 is the "lowest in the history of the program" and would "drastically cripple" it. Pointing out that the amount requested was one-third of the amount authorized each year, he promised an all-out fight to have the prospective appropriation increased.

## ATOMIC DEFENSE

Chairman W. Sterling Cole (R N.Y.) of the Joint Committee on Atomic Energy said Feb. 11 that the time is "measurably closer" when the U.S. can depend primarily upon nuclear weapons "for defense and retaliatory striking power." But, Cole warned in Binghamton, N.Y., this would not permit "miraculous overnight slashes in defense spending."

## CONGRESSIONAL QUOTES

"...there is a basic reason why the people should insist that the Congress do adjourn. To represent the people of a district the Congressman must be a part of that district. Certainly he should be home living in that district at least five months out of the year, at a minimum." -- Rep. Thomas B. Curtis (R Mo.) in a Jan. 25 newsletter.

"Ours is a representative government, and it makes for better representation for Members of Congress to be able to leave Washington to visit with the people back home for whom they serve as spokesmen. It not only helps one in learning what the people are thinking, but also helps one in being able to view things in their proper perspective." -- Rep. Leslie C. Arends (R Ill.) in a Feb. 11 newsletter.

"History has never recorded a famine and a food surplus at the same time." -- Sen. Robert S. Kerr (D Okla.) in his Feb. 4 newsletter.

"The present sight of mountains of edible and nutritious foods going to waste in the face of the want and need of millions of people is abhorrent to every American." -- Sen. Guy M. Gillette (D Iowa) in a Feb. 4 letter to Agriculture Secretary Ezra Taft Benson.

"The only people who talk and promote a recession story are the socialistic planners and members of the opposition party who want to embarrass the Eisenhower Administration." -- Rep. John V. Beamer (R Ind.) in a Feb. 12 news release.

"We will not really know whether the present recession is going to deepen even more seriously until we obtain the employment figures for April and May. By that time it may be too late to get effective action from a Congress preoccupied with political campaigns." -- Rep. Richard Bolling (D Mo.).

"Apparently the Administration, while shouting loudly that they mean to retaliate in a big way if there is any further help from the Chinese Communists to the Communists in Indo-China, has no definite policy and seems helpless and confused in the face of this impending blow to the free world in Asia." -- Rep. Henderson Lanham (D Ga.) in a Feb. 5 newsletter.

"Possibly one of our difficulties is that we have been so long the minority that suddenly, having become the majority, we are still inclined to use minority tactics when constructive procedures are imperative. The Republican Party now has both the opportunity and responsibility for leadership. Failure to use the one or to provide the other will inevitably result in loss of our control of the government." -- Sen. James H. Duff (R Pa.) in a Jan. 30 New York City speech.

"If we do not extend the life of VA's direct loan program and provide additional money, we will have to face the brutal fact that the GI loan benefit will be nothing more than a hollow mockery to those veterans who do not happen to live in the urban areas where GI loan money is available." -- Sen. John J. Sparkman (D Ala.) in a Feb. 3 news release.



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## political notes

### LINCOLN WEEK

Republicans' Lincoln Day speeches picturing the Democratic Party as soft toward communism brought retorts from the Democrats.

On Feb. 8 House Democratic Leader Sam Rayburn (Tex.) and Sen. Stuart Symington (D Mo.) called on President Eisenhower to say where he stands in relation to the increasing Republican attacks.

The day before, GOP Chairman Leonard W. Hall said that alleged Communism under Democratic rule will be a 1954 campaign issue and endorsed speeches about it by Sen. Joseph R. McCarthy (R Wis.) on a seven-state tour. McCarthy's subject was "Twenty Years of Treason" under the Democrats.

### ASKS REPUDIATION

Rayburn told the House that Democrats are getting tired of being called Communists. He noted also that Presidential Assistant Sherman Adams used the term "sadists" in a Feb. 6 speech criticizing Democrats.

Sen. Symington called on the President to repudiate attacks by high Administration men against the Democrats whose support, he said, the President must have. He particularly took note of GOP speeches referring to the separation of 2,200 persons from the government as security risks (see page 193).

Feb. 9, Senate Democratic Leader Lyndon B. Johnson (Tex.) suggested that unless the President called a halt to accusations his legislative program could well suffer.

Sen. Wayne Morse (I Ore.) said the President was a party to a "big lie" technique by which Republicans were trying to give "the false impression" Communists had "honeycombed" the government in Democratic years.

Democrats' complaints were at first rejected when Feb. 9 Presidential Press Secretary James C. Hagerty said the GOP is "just giving the people the facts." Sen. Everett M. Dirksen (R Ill.), who heads the GOP Senatorial Campaign Committee, said Feb. 10 he didn't think Republican political criticism alone would cause any substantial number of Democrats to oppose Mr. Eisenhower's legislative program.

### EISENHOWER STATEMENT

However, at President Eisenhower's press conference Feb. 10, the Chief Executive said he would counsel members of his Administration to avoid extreme partisanship. In answer to questions, he also said he would expect the GOP National Committee to follow suit. He added that any allegation that Democrats were tinged with treason was untrue.

Senate Democratic Leader Johnson praised Mr. Eisenhower's comment. Sen. Albert Gore (D Tenn.)

called the President's statement "fine." Sen. George D. Aiken (R Vt.) said Republicans "should put the facts before the public and counteract any distortions by the opposition." Sen. Walter F. George (D Ga.) said he is satisfied the President does not approve of all the things said by Republican campaigners, but added he doubts the President can control some of the orators.

Sen. Guy M. Gillette (D Iowa) said the President didn't go far enough in his statement, that he stopped short of repudiation. "Unless he repudiates it definitely, he must share part of the blame for it," Gillette added.

Sen. A. S. Mike Monroney (D Okla.) said the President "failed to meet the issue" when he said this was no time for extreme partisanship. Monroney said, "we don't mind the extreme partisanship, but...the extreme treason" which some GOP critics alleged.

In San Francisco, that night Sen. McCarthy said he does not intend to change his speech-making technique despite President Eisenhower's advice. "It isn't abuse to tell what's going on. When it hurts, the Democrats scream," he said.

Sen. William E. Jenner (R Ind.) who has declared the Democrats "tampered with the security of the U.S.," said in New Castle, Ind., "I propose to tell the truth regardless of politics." Jenner is touring under auspices of the GOP National Committee.

At Parkersburg, W. Va., Feb. 10 Sen. John M. Butler (R Md.) blamed previous Democratic Administrations for the Communist capture of China.

The Democratic Digest Feb. 11 lashed at Gov. Thomas E. Dewey of New York and Attorney General Herbert Brownell, long a close political associate of Dewey.

"With Eisenhower's first political strategist (Dewey), his Attorney General and his hand-picked GOP Chairman (Leonard W. Hall) all joining in these attacks, the Administration is more and more involved in McCarthyism and President Eisenhower is left in an anomalous position," the Digest said. Harry J. O'Donnell, the Governor's press secretary, said that "Democratic Political Bosses now make it clear that they intend to blackmail the President of the United States." O'Donnell termed the Democratic statement "a desperate attempt to smother the truth concerning the last Democrat Administration and what it did to our government and our country."

### NIXON "LINCOLN" SPEECH

Vice President Richard M. Nixon (R) asserted Feb. 11 that defeat of the Administration program now before Congress, and the defeat of Republicans in the November election would signal "a swing to the far left." In a New Haven, Conn., Lincoln Day speech, Nixon also urged Republicans to cease attacking Democrats on the Communists-in-government issue (see page 198).



"We should leave the door open for all, regardless of party, to support our President and his program," he declared. He said the "great challenge" is to prove the U.S. can have "peace and prosperity at the same time." Commenting on economic indicators which point to 1954 as being the second-best year in history, he added "There is no reason to have a depression unless we talk ourselves into it." He declared that 1953 would go down as the year of "cleaning up the mess."

## REPUBLICANS CONVENE

The Republican National Committee Feb. 6 wound up its kick-off meeting for the 1954 Congressional campaign in Washington.

The rally was climaxed by a Feb. 5 box supper where Republicans heard President Eisenhower call his Party to face the future with the political faith of Abraham Lincoln.

"Let us lift our chins and our heads, square our shoulders and walk right square into it as Lincoln would have walked...we don't have to listen to the prophets of doom, who say we will fumble or stumble or fall," the President said.

Former President Herbert Hoover, Vice President Nixon and other key GOP figures also spoke.

The National Committee Feb. 6 adopted without opposition the recommendation of its Finance Committee for a record off-year campaign budget of \$3.8 million.

At the final day of the three-day meeting, Presidential Assistant Sherman Adams charged at a National Committee luncheon meeting that "political sadists" are trying to foist a "Fear Deal" on the people with talk of depression and GOP inability to face national problems.

Speaking before the Republican National Committee's Finance unit, House Speaker Joseph W. Martin, Jr., (R Mass.) said Feb. 4 that the Eisenhower program will be "well on its way to complete enactment" before Congress quits this Summer." But continuing the program he said, meant electing a Republican Congress in November.

House Majority Leader Charles A. Halleck (R Ind.) told a breakfast meeting of the National Committee Feb. 6 that the Eisenhower Administration, working "in closest co-operation with a Republican Congress has already hammered out a magnificent record." Senate Majority Leader William F. Knowland (R Calif.), who also spoke, urged the Committee to do its utmost to elect Republicans.

National Committee Chairman Leonard W. Hall in a Feb. 5 speech before the Committee declared, "the left-wing in America regard a depression as its one-way ticket to power."

## MCLEOD, HATCH ACT

The State Department said Feb. 11 that before Scott McLeod, its personnel and security chief, left on a speaking tour, McLeod was advised by a Civil Service Commissioner that he is subject to Hatch Act provisions barring federal employees from political activity.

This announcement came after McLeod's speaking tour in South Dakota and Wyoming was criticized Feb. 9 by Rep. Emanuel Celler (D N.Y.). Celler charged McLeod was employed as a "party huckster canvassing votes."

The State Department Feb. 6 announced that McLeod would address GOP rallies in the West under auspices of the Republican National Committee and that the Department legal adviser had decided this activity would not violate the Hatch Act, because of McLeod's high rank with the Department.

But the Department said Feb. 11 a Civil Service Commissioner advised McLeod before he left that he was subject to the law. The Department said, however, that the Commissioner, George Moore, informed McLeod the Civil Service Commission "had no jurisdiction" in his case.

The State Department had said earlier that CSC ruled McLeod's speaking tour would not violate the Hatch Act. Department Press Officer Jameson Parker said the State Department would have jurisdiction. The Civil Service Commission said its jurisdiction in enforcing the Hatch Act applied only to Federal workers in the competitive civil service.

## MCCARTHY SPEECHES

Four thousand persons in Los Angeles heard Sen. Joseph R. McCarthy (R Wis.) make charges of a Communist conspiracy in the government during past Administrations, then left to be greeted as "McCarthyites" over a mobile loudspeaker.

Police, who stopped the crowd as it was converging on the speaker, identified as Wilbur J. Jerger the man who had set up the broadcasting system.

After his speech McCarthy said he had been wrong in stating at Madison, Wis., Feb. 8 that John J. McCloy, former U.S. High Commissioner of Germany, had ordered the destruction of Army Intelligence documents on communism. (See page-193.)

In a Lincoln Day dinner speech Feb. 9 Sen. McCarthy told an Aberdeen, S. D., audience that any candidate for the Senate or House who approves American aid for countries trading with Communist China should be defeated.

## "TRUTH KITS"

The Democratic National Committee said Feb. 5 it was sending "truth kits" out ahead of McCarthy to editors and Democratic party workers in cities along McCarthy's speaking route.

The Committee said the kits contained information on Democrats' activities against communism and a "Democratic Digest article showing how Sen. McCarthy has smeared many innocent persons..."

## TRUMAN CHARGES

Former President Harry S. Truman accused President Eisenhower of being a party to a drive to smear the Democratic Party by deceiving the country on the issue of Communism in government.

Truman, addressing the Americans for Democratic Action Feb. 5, charged that the President had misled the nation with the statement that his Administration had cleaned 2,200 "security risks" out of the government since the Eisenhower Administration took over. (See page 193.)

Truman challenged Mr. Eisenhower to break down the figure and reveal how many of those separated were fired because they were disloyal or Communists.

## POLITICAL BRIEFS

### GOP WOMEN TO MEET

A mass conference of Republican Women under the leadership of Bertha S. Adkins, assistant to the Chairman of the GOP National Committee, is scheduled April 6-8 to mobilize for the Congressional campaigns this year. It is expected to draw 1,500 to Washington from all over the nation.

### SABOTAGE ?

Rep. Ray J. Madden (D Ind.) Feb. 8 accused the "Republican politicians" of "sabotage and brain-washing" in efforts to force incumbent Democratic postmasters to resign. "Certain employees" of the Postoffice Department's inspection branch, he told the House of Representatives, have instituted a "campaign of Harassment" as part of a "political conspiracy" against postmasters to try to get Democrats to resign so they can be replaced with Republicans.

### HELP WANTED

A group of unidentified political sponsors Feb. 4 advertised in the Newark, N.J., Evening News for an "aggressive" young man they can back as a candidate for Congress in northern New Jersey. The ad said the man wanted "must be interested in good government, able to speak effectively and willing to campaign aggressively."

### EISENHOWER PLANS

President Eisenhower told his Feb. 10 press conference (see page 198) he has no intention of going into individual states during the Congressional election campaign and repeated previous announcements that he has no plans to participate in local contests.

### SECOND TERM ?

Gov. Thomas E. Dewey (R N.Y.) asserted Feb. 4 that he expected President Eisenhower to run for a second

term and win. He told reporters, "If he ran again, I'm sure he'd win."

## MITCHELL SPEECH

Opening the 1954 Democratic campaign in Utah, National Chairman Stephen Mitchell Feb. 9 offered this advice in Salt Lake City as a political slogan: "Vote Democratic--the farm (or job) you save may be your own." Mitchell predicted Democrats will capture control of both houses of Congress next Fall.

## State Roundup

**ALABAMA:** A 75-year-old Jacksonville, Ala., lawyer, William C. Irby, Sr., Feb. 5 announced he would run for the U.S. Senate seat now held by John J. Sparkman (D Ala.) in the Democratic primary on a platform that included government paid medical care for all and a debt free modern home for every family.

**COLORADO:** William H. (Billy) Adams, the state's only three-time governor, died Feb. 4 at the age of 92.

**FLORIDA:** Gen. James A. Van Fleet, urged by the state's Republicans to run as a candidate for Florida governor, said Feb. 10 he would not be a candidate for any office this year.

**MASSACHUSETTS:** State Treasurer Foster Furcolo Feb. 9 announced his candidacy for the Democratic nomination for the Senate seat now held by Leverett Saltonstall (R). Furcolo recently was involved in a political dispute with Americans for Democratic Action. (CQ Weekly Report, p. 36).

**MICHIGAN:** Dr. Eugene C. Keyes of Dearborn, Republican candidate for governor, is advocating that Michigan stake its indigent aged to year-around, free vacations to Florida. He said it would cost less than keeping them in state hospitals.

**NEW HAMPSHIRE:** Bert Teague, Gov. Hugh Gregg's administrative assistant, Feb. 4 announced his candidacy for the GOP nomination for the second Congressional District. Eugene S. Daniell, Jr., lawyer and one-time Republican, announced he will be a Democratic candidate for the Senate seat held by Styles Bridges (R).

**IDAHO:** Former Sen. Glen H. Taylor (D) 1945-50, 1948 vice presidential candidate of the Progressive Party, announced Feb. 11 he would seek the U.S. Senate seat held by Sen. Henry C. Dworshak (R).

**NORTH CAROLINA:** Former Gov. W. Kerr Scott Feb. 8 paid his filing fee as a candidate for the Democratic nomination for the U.S. Senate May 29 primary. The seat is now held by Sen. Alton A. Lennon (D N.C.)

**VIRGINIA:** Ninth District Democrats chose Sheriff Pat W. Jennings as their nominee for Congress at the Jan. 30 District nominating convention at Bristol, Va.

**WYOMING:** Rep. William H. Harrison (R Wyo.) said Feb. 10 he does not plan to be a candidate for the Senate this year. He had been regarded as a possible opponent to Sen. Lester C. Hunt (D).



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## the executive branch

### The President

#### FUNDS REQUEST

President Eisenhower Feb. 10 asked Congress for fiscal 1954 supplemental appropriations totaling \$12,831,909. Of the total, \$11 million was for the Housing and Home Finance Agency, and \$1,831,909 was for the Commission on Reorganization of the Executive Branch of the Government.

#### CONFIRMATIONS

The Senate has confirmed the nominations of:

Eugene J. Lyons of New Jersey, Assistant Postmaster General, Feb. 5

Mrs. Oswald B. Lord of New York, U.S. representative on the Human Rights Commission, UNESCO, Feb. 5

Laurence B. Robbins of Illinois, Deputy Administrator, Reconstruction Finance Corporation, Feb. 5

George H. Roderick of Michigan, Assistant Secretary of the Army for finance, Feb. 5

Glen A. Lloyd of Illinois, Deputy Administrator, Foreign Operations Administration, Feb. 8

Simon E. Sobeloff of Maryland, Solicitor General of the U.S., Feb. 9

Carroll C. Rinks of Connecticut, Judge, Second Circuit Court of Appeals, Feb. 9

John M. Harlan of New York, Judge Second Circuit Court of Appeals, Feb. 9.

#### COMMITTEE APPROVALS

Senate committees have approved the following nominations:

Wendell B. Barnes of Oklahoma, Administrator, Small Business Administration (Banking and Currency), Feb. 5

Nell H. Jacoby of California, member, President's Council of Economic Advisers (Banking and Currency), Feb. 5

Walter W. Stewart of New Jersey, member, President's Council of Economic Advisers (Banking and Currency), Feb. 5.

### Departments, Agencies

#### SHIP FRAUDS

The Department of Justice Feb. 8 announced the indictment of nine individuals and six shipping companies on charges of a conspiracy to defraud the government in deals involving about \$18 million worth of surplus ships after World War II.

Among those indicted were former Rep. Joseph E. Casey (D Mass., 1935-42, see page 191), and Aristotle S. Onassis, shipowner. The indictments were returned by a Washington, D.C., grand jury Oct. 13, 1953, but were kept sealed by court order pending the surrender of Onassis, who recently arrived in the United States.

### Eisenhower Meets Press

President Eisenhower Feb. 10 replied to expressions of fear that the U.S. may be pushed into the Indo-China war, declaring that aid to Indo-China is calculated to keep the nation out of a hot war. (See page 192.)

In other comments at his 27th news conference, Mr. Eisenhower:

Advised his subordinates and the GOP National Committee to avoid extreme partisanship in criticizing Democrats (see page 195)

Said he will not participate in individual Congressional campaigns

Stated that the nation could not be frightened into a major depression, but that scare talk could lead to a recession

Declined to comment on the value to Republicans of Sen. Joseph R. McCarthy's (R Wis.) speaking tour (see page 195)

Denied reports that the government plans to increase interest rates on rural electrification loans

Commended Eugene, Ore., for joining with the federal government on the Cougar dam

Announced plans for increasing federal contributions to states for highway construction by about \$225 million

Reported he had agreed to resumption of talks with Mexico on recruiting Mexican farm labor.

The Senate Permanent Investigations Subcommittee in 1952 heard testimony that the Casey group was involved in alleged profiteering in surplus ships. (CQ Almanac, Vol. VIII, 1952, pp. 355 ff.)

#### SUBVERSIVES

The Department of Justice Feb. 4 announced the addition of 20 more organizations to the Attorney General's list of groups he considers subversive. The new listings bring the total to approximately 355, according to the Department.

#### "LOST" REPORTS

Attorney General Herbert Brownell, Jr., Feb. 7 said the Department of Justice was reviewing some 20,000 documents that were "lost" but turned up during a Department House cleaning in the fall of 1953. He said the Harry Dexter White case was mentioned in one of the reports. (CQ Almanac, Vol IX, 1953, pp. 620 ff.) Brownell added that the Department would seek possible prosecution against persons mentioned in the White report, as well as others mentioned in other reports compiled by the FBI.

#### DAVIES PERJURY CASE

The Justice Department has decided that evidence does not warrant seeking indictment of John Paton Davies, Jr., a career diplomat, on perjury charges, according to

Feb. 8 reports. The Senate Judiciary Subcommittee on Internal Security had recommended prosecution for perjury allegedly committed in 1951 testimony. (CQ Almanac, Vol. VIII, 1952, pp. 254, 256.) Davies had been called home from Peru in connection with his security investigation. (CQ Weekly Report, p. 109.)

#### FOREIGN SERVICE

Under Secretary of State Walter Bedell Smith Feb. 6 announced plans for establishing a five-member commission to recommend reorganization and expansion of the foreign service.

Feb. 9, President Eisenhower nominated 124 foreign service officers for promotion. An announcement by Secretary of State John Foster Dulles and comments by a State Department spokesman disclosed that all promotions had been frozen since early in 1953 because of a Budget Bureau economy order and a backlog of security investigations.

#### "MORALE HIGH"

R. W. Scott McLeod, Security Administrator of the Department of State, said Feb. 8 in a copyrighted interview with U.S. News and World Report that "the morale of the foreign service is pretty high, considering all the factors involved. The claim that security procedure here is lowering morale is not valid."

#### BENSON ON SUPPORTS

Secretary of Agriculture Ezra Taft Benson told the Columbus, Neb., Chamber of Commerce Feb. 10 that the Administration's farm program not only is "right," but also good politics. At Omaha the same day, he spoke before the Nebraska Farmers Union, declaring that rigid or fixed price supports were wartime measures and should be discontinued in peacetime before the structure collapses "like a pack of cards."

Benson reported Feb. 8 that his Department was studying proposals to subsidize farmers who divert land to production of rubber and drugs.

#### SURPLUS EXPORTS

The Commerce Department announced Feb. 10 that it will not grant commercial export licenses for cash sales of farm surplus commodities to Russia or her satellites. Stocks acquired on the open market, however, will not necessarily be barred from trade with the Soviet bloc, the announcement said.

#### RUSSIAN TRADE

Director Harold E. Stassen of the Foreign Operations Administration Feb. 5 interpreted Russia's bid for increased trade with Great Britain as a sign of "economic difficulty" in the Soviet Union. Other observers had called the Russian offer an aspect of psychological warfare. Stassen said he expected Britain to screen strategic goods out of exports to Russia.

#### EMPLOYMENT DROP

The Bureau of Labor Statistics reported Feb. 9 a drop of two million in the number of U.S. non-farm workers, from mid-December to mid-January. The total non-farm employment was listed at 47.7 million, 646 thousand smaller than a year ago.

#### FEWER ON THE FARM

The Agriculture Department reported Feb. 10 that farm employment, including both farm families and hired laborers, totaled 5,951,000 during the week of Jan. 24-30. The figure for January, 1953, was 6,120,000. The January average for the years 1948-52 was 6,759,000, and the January, 1954, total was the lowest since the Department began recording farm labor in 1910.

#### DETROIT A DISTRESS AREA

The Department of Labor Feb. 8 listed Detroit, the automobile capital of the U.S., as a distressed area with "substantial" unemployment. Secretary of Defense Charles E. Wilson asserted Feb. 9 that in Spring the employment situation in Detroit will be "all right."

#### McKAY ON POWER

Secretary of the Interior Douglas McKay told the National Concrete Masonry Association Feb. 9 that hydroelectric power continues as a "major phase" of the Administration's program for developing water resources, but that the "tendency to over-emphasize" this aspect of reclamation has been reversed.

He said the Department's budget for fiscal 1955 had been cut 22.5 per cent below the fiscal 1953 level without resort to "drastic action which would impair essential resource programs."

#### Commissions

#### WATCH TARIFFS

In hearings before the Tariff Commission beginning Feb. 9, spokesmen for importers and assemblers of Swiss watches and movements opposed a petition by domestic manufacturers that duties on the Swiss imports be raised 50 per cent under the escape clause, or that concessions under the (Reciprocal) Trade Agreements Act be canceled, allowing tariffs to revert to the 1930 level.

J. Bradley Colburn, representing Elgin, Hamilton, and Waltham (domestic manufacturers), and Walter W. Cenerazzo, president of the American Watch Workers Union (Ind.), told the Commission the industry is being injured by imports. Among others advocating increased tariffs were Rep. James T. Patterson (R Conn.) and Richard I. Furbush, president of the Massachusetts Senate.

Former Sen. Millard E. Tydings (D Md.), representing importers, and A. H. Barenboim, of the AFL Jewelry Workers Union, contended that American workers and manufacturers who assemble watches with Swiss movements would be injured by higher tariffs.





(FEB. 12)

## late developments

Late developments of the week ending Feb. 12, briefly reported on this page, will be covered in appropriate sections of the Feb. 19 Weekly Report.

## On The Floor

## UN-AMERICAN ACTIVITIES

The House Feb. 12 adopted a resolution (H Res 441) requesting that the Un-American Activities Committee resist a challenge to its subcommittee's authority to hold hearings in Michigan soon (see page 190). Approval came on voice vote. The hearings, slated to begin Feb. 22, were postponed because of the illness of Rep. Kit Clardy (R Mich.), Subcommittee Chairman. Rep. Francis E. Walter (D Pa.) told the House a prospective witness had asked for a court injunction against the hearing.

## Committees

## MEXICAN LABOR

The House Agriculture Committee Feb. 12 approved a resolution (H J Res 355) which would authorize the U.S. to hire Mexican nationals for farm labor whether or not Mexico consents to their employment (see page 186).

## TAX REVISION

The House Ways and Means Committee Feb. 12 proposed a series of steps to ease tax payments for liquor, wine, beer and tobacco manufacturers. The proposed changes would not affect rates. (See pages 173, 185).

## "Lincoln" Speeches

Republicans, over the nation, talked turkey in Lincoln Day speeches (see page 198).

Sen. Joseph R. McCarthy (R Wis.), in Dallas Feb. 11 said he could not "whitewash" what he termed "20 years of treason" under Democratic Administrations to help win support for the Eisenhower program. McCarthy added he did not agree with the Administration on "trade with Red China," but that "doesn't mean I don't support the Administration."

Senate Majority Leader William F. Knowland (R Calif.) said Feb. 12 in Washington, "You can't draw a partisan line on patriotism," as he lined up with President Eisenhower for temperate language in criticizing Democrats.

Sen. Frank Carlson (R Kan.) told an East Orange, N.J. audience that Democrats permitted "Communists to penetrate the highest policy-making branches of government."

Chairman Harold H. Velde (R Ill.) of the House Un-American Activities Committee told a Boston group Feb. 11 that "McCarthy knows what he is talking about" when he said Democrats allowed themselves to be infiltrated by subversive influences. But, said Velde, "If a number of Democrats had not supported Republicans, we would not have been able (to get) the Communists out of government."

## STATUS OF MAJOR LEGISLATION

This chart traces through Feb. 12, 1954 the advancement toward a final decision of these major legislative proposals:

Bills	Reported in House	Passed House	Reported in Senate	Passed Senate	Enacted
Statehood for Alaska	6/26/53				
Statehood for Hawaii	3/3/53	3/10/53	1/27/54		
Increase Salaries of of Congress, Fed. Judges			5/12/53		
Immunity of Cong. witnesses			4/20/53	7/9/53	
Raise legal debt limit	7/31/53	7/31/53			
St. Lawrence Seaway			6/16/53	1/20/54	
Restrict executive treaty powers (Bricker Amendment)			6/15/53		
South Korean Mutual Defense Pact			1/21/54	1/26/54	2/5/54

House Whip Leslie C. Arends (R Ill.), in Knoxville Feb. 11, accused Democrats of throwing up a "smoke-screen" in demanding a breakdown of the claimed 2,200 federal employees separated as "security risks."

Chairman William E. Jenner (R Ind.) of the Senate Internal Security Subcommittee, in Indianapolis Feb. 11 asserted that the war in Korea was won by men who had "one hand tied behind their backs."

Rep. Louis C. Rabaut (D Mich.) Feb. 12 demanded that President Eisenhower fire Leonard W. Hall as Republican National Chairman. In a House speech, Rabaut charged that Hall has sponsored a "vitriolic campaign of Republican oratory" in defiance of the President's recent criticism of "extreme partisanship" (see page 198).

## Other Developments

## BRICKER AMENDMENT

Senate Majority Leader William F. Knowland (R Calif.) reported Feb. 12 that the Justice Department had raised new questions about Sen. Walter F. George's (D Ga.) proposed revision of his substitute for S J Res 1, Sen. John W. Bricker's (R Ohio) Constitutional amendment on treaties and international agreements (see page 183).

## HOUSING

The Chairman of the House and Senate Banking and Currency Committees Feb. 12 introduced identical bills (HR 7839 and S 2938) to carry out President Eisenhower's housing message requests. (CQ Weekly Report, p. 144.)

S 2938 was introduced by Sen. Homer E. Capehart (R Ind.) HR 7839 was introduced by Rep. Jesse Paine Wolcott (R Mich.).



## summary of legislation

### Bills Acted On

(Feb. 3 through Feb. 9)

**EXPLANATORY NOTE:** Bills and resolutions which during this period have been approved and reported by committees to the floor of either house, or have been passed by either house, are listed below in numerical order. The summary gives, in order listed, number of bill, description, sponsor, nature and date of action. Action was by voice vote unless otherwise indicated.

Simple resolutions (S Res or H Res) are completed when adopted by the chamber in which they originate. They do not become law.

Concurrent resolutions (S Con Res or H Con Res) are completed when adopted by both houses. They do not become law.

Joint resolutions (S J Res or H J Res) and bills (S or HR) must be passed by both houses and are then sent to the President. They become law when signed by the President, or become law without his signature after 10 days, unless he vetoes.

CQ's Summary Of Legislation appears weekly while Congress is in session, as an appendix at the back of CQ Weekly Report. Pages are numbered consecutively throughout the year and to distinguish appendix pages from other Weekly Report pages, each appendix page number is preceded by an A.

### Sent to President

- S 15. Provide for the appointment of additional circuit and district judges. McCarran (D Nev.). Senate Judiciary reported May 4. Passed Senate May 8. House Judiciary reported July 28. Passed House amended July 30, 1953. House adopted conference report Feb. 3, 1954. Senate adopted conference report Feb. 3.
- HR 395. Confer jurisdiction upon the U.S. Court of Claims re claims against the U.S. of certain employees of the Bureau of Prisons. CELLER (D N.Y.). House Judiciary reported Feb. 18. Passed House, amended, on consent calendar April 13. Senate Judiciary reported July 30, 1953. Passed Senate Feb. 9, 1954.
- HR 2839. Enable Hawaiian Homes Commission of Territory of Hawaii to exchange available lands as designated by Hawaiian Homes Commission Act of 1920, for public lands. FARRINGTON (R Hawaii). House Interior and Insular Affairs reported July 27. Passed House on consent calendar July 30, 1953. Senate Interior and Insular Affairs reported Feb. 2, 1954. Passed Senate on call of calendar Feb. 8.
- HR 2842. Authorize Secretary of Defense to transfer certain land and access rights to the Territory of Hawaii. FARRINGTON (R Hawaii). House Armed Services reported July 24. Passed House on consent calendar July 30, 1953. Senate Armed Services reported Feb. 4, 1954. Passed Senate on call of calendar Feb. 8.
- HR 5379. Authorize printing and mailing of certain publications at other than places of publication. HARDEN (R Ind.). House Post Office and Civil Service reported July 16. Passed House on consent calendar, July 27, 1953. Senate Post Office and Civil Service reported Jan. 27, 1954. Passed Senate Feb. 9.
- HR 5861. Amend act authorizing cash relief for certain employees of the Canal Zone Government. WEICHEL (R Ohio). House Merchant Marine reported July 29, 1953. Passed House on consent calendar Jan. 18, 1954. Passed Senate, when S 2038 was indefinitely postponed. Feb. 9.
- HR 5959. Exempt from limitation on dual compensation of certain commissioned officers retired for disability. REES (R Kan.). House Post Office and Civil Service reported July 20. Passed House on consent calendar July 27, 1953. Senate Post Office and Civil Service reported Jan. 27, 1954. Passed Senate Feb. 9.
- HJ Res 358. Discharge the indebtedness of the Commodity Credit Corporation. ANDERSEN (R Minn.). House Appropriations reported Jan. 25. Passed House 323-27, Jan. 27. Senate Appropriations reported Jan. 28. Passed Senate, amended, Feb. 1. House adopted conference report Feb. 9. Senate adopted conference report, 49-10, Feb. 9.
- VETOED**
- S 987. Issue commemorative coin in celebration of founding of Northampton, Mass. SALTONSTALL (R Mass.). Senate Banking and Currency reported, amended, July 30, 1953. Passed Senate Jan. 12, 1954. Passed House amended Jan. 21. Senate concurred in House amendment Jan. 22. President vetoes Feb. 3.

### LEGISLATION APPENDIX

For 1954, CQ's Summary of Legislation will appear each week while Congress is in session as an appendix to CQ Weekly Report.

This appendix will be the last section of each Weekly Report. Its pages will be numbered consecutively throughout the year but separately from the Weekly Report. Each Summary appendix page number will have the prefix, A.

The appendix will include only the Summary Of Legislation--the weekly roundup of Bills Acted On and Bills Introduced. In addition to more clearly separating the Summary from other sections and fixing its position from week to week, the use of an appendix will permit CQ to better organize other material in the Weekly Report.

- S 2474. Issue commemorative coin for tercentennial of founding of New York City. LEHMAN (D N.Y.), IVES (R N.Y.). Senate Banking and Currency reported July 30, 1953. Passed Senate Jan. 12, 1954. Passed House Jan. 21. President vetoes Feb. 3.
- HR 1917. Authorize coinage of 50-cent pieces commemorative of the 150th anniversary of the Louisiana Purchase. BOGGS (D La.). House Banking and Currency reported March 10. Passed House, amended, on consent calendar April 13. House vacated proceedings and re-passed with word corrected April 14. Senate Banking and Currency reported July 30, 1953. Passed Senate amended Jan. 12, 1954. House agreed to Senate amendments Jan. 21. President vetoed Feb. 3.

### Senate Bills and Resolutions

#### FLOOR ACTION IN EITHER HOUSE

- S 489. Convey certain land located in Windsor Locks, Conn., to the State of Connecticut. BUSH (R Conn.). Senate Armed Services reported Feb. 4. Passed Senate on call of calendar Feb. 8.
- S 1381. Amend the Agricultural Act of 1949 re the rotation of Commodity Credit Corporation stocks. AIKEN (R Vt.). Senate Agriculture and Forestry reported Jan. 11. Passed Senate Feb. 9.
- S 1647. Amend act of Aug. 3, 1950, to continue in effect the provisions relating to the authorized personnel strengths of the armed forces. SALTONSTALL (R Mass.). Senate Armed Services reported Jan. 23. Indefinitely postponed Feb. 8 when Senate passed HR 2326.
- S 1827. Quiet title and possession re certain real property in Washington. MAGNUSON (D Wash.). Senate Armed Services reported Feb. 4. Passed Senate on call of calendar Feb. 8.
- S 1990. Strengthen the investigation and enforcement provisions of the Commodity Exchange Act. YOUNG (R N.D.). Senate Agriculture and Forestry reported Jan. 11. Passed Senate Feb. 9.
- S 2038. Authorize cash relief for certain Canal Zone government employees. SALTONSTALL (R Mass.). Senate Armed Services reported July 2. Senate Post Office and Civil Service reported July 23. Indefinitely postponed when Senate passed HR 5861, Feb. 9.
- S 2313. Amend the Commodity Exchange Act to include wool among the commodities regulated by such act. KENNEDY (D Mass.), BARRETT (R Wyo.), YOUNG (R N.D.). Senate Agriculture and Forestry reported Jan. 11. Passed Senate Feb. 9.
- S 2689. Retrocede to the State of Ohio concurrent jurisdiction over certain highways within Wright-Patterson Air Force Base, Ohio. SALTONSTALL (R Mass.). Senate Armed Services reported Feb. 4. Passed Senate on call of calendar Feb. 8.
- S 2772. Provide for disposal of paid postal savings certificates 6 years from date of payment. CARLSON (R Kan.). Senate Post Office and Civil Service reported Jan. 27. Passed Senate Feb. 9.

## COMMITTEE ACTION IN EITHER HOUSE

- S 1386. Amend section 2 of the Commodity Exchange Act re the meaning of the word "commodity" to include coffee therein. GILLETTE (D Iowa). Senate Agriculture reported Feb. 3.

## House Bills and Resolutions

### FLOOR ACTION IN EITHER HOUSE

- HR 116. Prohibit the transportation of fireworks into any state in which the sale of such fireworks is prohibited. CHURCH (R Ill.). House Judiciary reported June 22. Passed House July 20. Senate Judiciary reported July 30, 1953. Recommended to Senate Judiciary Feb. 8, 1954.
- HR 2326. Continue in effect certain provisions of the law relating to the authorized personnel strength of the Armed Forces. SHORT (R Mo.). House Armed Services reported Jan. 18. Passed House Jan. 27. Passed Senate, amended, on call of calendar Feb. 8. Similar Senate bill S 1647 indefinitely postponed Feb. 8.
- HR 2846. Authorize President to exercise certain powers conferred upon him by Hawaiian Organic Act re property ceded to U.S. by Republic of Hawaii, notwithstanding acts of 1939, and 1940, or other acts of Congress. FARRINGTON (R Hawaii). House Interior and Insular Affairs reported July 27. Passed House on consent calendar July 30, 1953. Senate Interior and Insular Affairs reported Feb. 2, 1954. Passed Senate amended on call of calendar Feb. 8.
- HR 3300. Authorize State of Illinois to help control the lake level of Lake Michigan by diverting water from Lake Michigan into the Illinois Waterway. JONAS (R Ill.). House Public Works reported Jan. 11. Passed House, Feb. 4.
- HR 5632. Authorize the conveyance of Camp Butler to the State of North Carolina. CHATHAM (D N.C.). House Armed Services reported July 29. Passed House under unanimous consent August 1, 1953. Senate Armed Services reported Feb. 4, 1954. Passed Senate amended on call of calendar Feb. 8.

## COMMITTEE ACTION IN EITHER HOUSE

- HR 459. Amend the U.S. Code to increase penalty for unauthorized wearing manufacture or sale of medals and badges awarded by the War Department. KEARNEY (R N.Y.). House Armed Services reported Feb. 8.
- HR 4231. Authorize appointment to the Military and Naval Academies of sons of certain members of the armed forces who died or shall die as a result of active service on or after June 27, 1950. VAN ZANDT (R Pa.). House Armed Services reported Feb. 8.
- HR 4984. Remove limitations upon the purposes for which Miles City, Mont. may use certain land heretofore conveyed to it by the U.S. D'EWART (R Mont.). House Interior and Insular Affairs reported Feb. 8.
- HR 5620. Make certain provisions for clearing titles of certain lands in Colorado by confirming and reestablishing certain boundaries determined by surveys made in 1868 and 1875. HILL (R Colo.). House Interior and Insular Affairs reported Feb. 8.
- HR 6251. Authorize abolishment of Shoshone Cavern National Monument and transfer of the land therein to the city of Cody, Mont., for recreational purposes. HARRISON (R Wyo.). House Interior and Insular Affairs reported Feb. 8.
- HR 6290. Discontinue certain reports now required by law of certain federal agencies and departments. HARDEN (R Ind.). House Government Operations reported Feb. 8.
- HR 7371. Provide for the disposal of paid postal savings certificates. BOLTON, O. P. (R Ohio). House Post Office and Civil Service reported Feb. 8.
- HR 7554. Make certain provisions re the pay of certain government employees for non-workdays set by administrative order. REES (R Kan.). House Post Office and Civil Service reported Feb. 8.
- H J Res 300. Provide for the conveyance to the Texas Hill County Development Foundation of certain surplus land situated in Kerr County, Tex. FISHER (D Tex.). House Government Operations reported Feb. 8.

## Bills Introduced

(Feb. 3 through Feb. 9)

Bills listed by CQ are arranged according to subject matter. To find out whether a specific bill was introduced, check through the category which covers the subject matter of that bill. (For listing of categories see CQ Weekly Report, p. A-2.)

Within each category are Senate bills in alphabetical order of sponsor's name, followed by House bills in alphabetical order of sponsor's name. Bills are described as follows: Sponsor's name, bill

number, date introduced, brief description of provisions and committee to which bill was assigned.

Bills sponsored by more than one Senator are listed under the first sponsor, with additional sponsors listed in alphabetical order. All such multiple sponsored bills are marked by an asterisk (\*). To check all bills introduced by a particular Senator, look for his name under each of the subject categories and subdivisions thereof, and check all bills marked with an asterisk.

In the House identical bills are sponsored by several Members but each bill has only one sponsor and one number. In such cases only the first bill introduced -- that with the lowest bill number -- is described in full. Bills introduced subsequently during the period and identical in nature are cited back to the earliest bill.

## Agriculture

- AIKEN (R Vt.) (by request) S 2911.....2/8/54. Provide for the development of a sound and profitable domestic wool industry under our expanding world trade and encourage increased production of wool. Agriculture.
- ANGELL (R Ore.) HR 7735.....2/4/54. Amend section 2 of Commodity Exchange Act, as amended, to include coffee in the definition of the word "commodity". Agriculture.
- BOLING (D Mo.) HR 7767.....2/8/54. Provide for more effective distribution of food supplies through a food allotment program, help maintain fair prices and incomes to farmers by providing adequate outlets for agricultural products, prevent obstructing channels of interstate commerce, and promote full use of agricultural resources. Agriculture.
- HOPE (R Kan.) HR 7775.....2/8/54. Provide for development of a sound and profitable domestic wool industry under our expanding world trade, and encourage increased domestic production of wool. Agriculture.
- SIMPSON (R Ill.) HR 7827.....2/9/54. Amend the Agricultural Act of 1949, as amended, to make soybeans a basic commodity. Agriculture.

## Education and Welfare

### HOUSING AND SCHOOLS

- WATTS (D Ky.) HR 7743.....2/4/54. Extend for five years the period in which families of veterans and servicemen may be admitted to low-rent housing without meeting the requirements of the U.S. Housing Act of 1937. Banking and Currency.

### SAFETY AND HEALTH

- DOUGLAS (D Ill.) S 2901.....2/4/54. Provide for study of the mental and physical consequences of malnutrition and starvation suffered by POW's and civilian internees during World War II and Korea. Labor.
- MANSFIELD (D Mont.) S 2876.....2/3/54. Require inside latches on the doors of household refrigerators shipped in interstate commerce. Commerce.
- SPARKMAN (D Ala.) S 2891.....2/3/54. Similar to Mansfield (D Mont.) S 2876.
- FULTON (R Pa.) HR 7711.....2/3/54. Provide for a study of the mental and physical consequences of malnutrition and starvation suffered by POW's and civilian internees of World War II and Korea. Commerce.
- SEELY-BROWN (R Conn.) HR 7824.....2/9/54. Provide for greater safety at sea by authorizing the Secretary of the Treasury to prescribe rules for loading, stowage, and securing of grain and other bulk cargoes. Merchant Marine.
- WOLVERTON (R N.J.) HR 7700.....2/3/54. Amend Public Health Service Act to provide mortgage-loan insurance for hospitals and medical facilities used in voluntary prepayment health plans. Commerce.

## SOCIAL SECURITY

- IVES (R N.Y.) (by request) S 2880.....2/3/54. Amend Social Security Act, as amended, to provide for judicial review of certain findings of the Secretary of Health, Education, and Welfare which may result in reduction or discontinuation of public assistance payments to states. Finance.
- IVES (R N.Y.) (by request) S 2881.....2/3/54. Amend Social Security Act, as amended, to provide for conferences between the Secretary of Health, Education, and Welfare and representatives of the several states. Finance.



IVES (R N.Y.) (by request) S 2882.....2/3/54. Provide that public assistance payments to the states, under the Social Security Act, shall not be reduced in certain cases because of disapproval by the Department of Health, Education, and Welfare of the personnel practices of the state agencies carrying out assistance programs. Finance.

BAILEY (D W. Va.) HR 7765.....2/8/54. Amend Railroad Retirement Act of 1937 to eliminate the requirement that a widow once entitled to a current insurance annuity must have a child of the deceased employee under age 18 to remain entitled to such annuity. Commerce.

OSTERTAG (R N.Y.) HR 7706.....2/3/54. Amend Social Security Act, as amended, to provide for conferences between the Secretary of Health, Education, and Welfare and representatives of the several states. Ways and Means.

OSTERTAG (R N.Y.) HR 7707.....2/3/54. Amend Social Security Act to provide that public assistance payments to the states shall not be reduced in certain cases because of disapproval by the Department of Health, Education and Welfare of the personnel practices of the state agencies carrying out assistance programs. Ways and Means.

OSTERTAG (R N.Y.) HR 7708.....2/3/54. Amend Social Security Act, as amended, to provide for judicial review of certain findings of the Secretary of Health, Education and Welfare which may result in the reduction or discontinuance of public assistance payments to states. Ways and Means.

OSTERTAG (R N.Y.) HR 7820.....2/9/54. Amend Social Security Act to increase the amount of outside earnings permitted without loss of benefits, and amend Internal Revenue Code to provide additional social-security tax on certain income. Ways and Means.

WILLIAMS (D N.J.) HR 7713.....2/3/54. Extend and improve the old-age and survivors insurance system to provide permanent and total disability insurance and rehabilitation benefits. Ways and Means.

## Foreign Policy

### ADMINISTRATIVE POLICY

MERROW (R N.H.) HR 7819.....2/9/54. Provide for settlement of claims arising from acts or omissions of civilian employees and military personnel of foreign countries in the U.S. Foreign Affairs.

### INTERNATIONAL RELATIONS

DOUGLAS (D Ill.) S Con Res 58.....2/4/54. Express sense of Congress that Poland should have free and fair elections immediately, and request the President to communicate resolution to U.S. representative to the UN to bring before the General Assembly. Foreign Relations.

DOUGLAS (D Ill.) S Con Res 59.....2/4/54. Express sense of Congress that the UN should take appropriate action to bring about recognition of civil and religious liberties in Soviet-dominated countries, and request President to communicate resolution to the US representative to the UN, and the Secretary of State in Berlin to make it known. Foreign Relations.

SALTONSTALL (R Mass.) S Res 210.....2/5/54. Express Senate condemnation of Soviet decree of January ninth imposing high taxes on U.S. gift packages to Poland, and request Secretary of Senate to make known to the Soviet Regime in Poland the attitude of the U.S., and express sympathy for plight of Poles. Foreign Relations.

SMITH (R Maine) S Res 211.....2/8/54. Express sense of Senate that the President should take action to determine extent of Communist control of Guatemala, relation of Guatemalan producers to coffee prices, and to exclude temporarily importation of coffee from Guatemala. Foreign Relations.

ADDONIZIO (D N.J.) H Con Res 199.....2/4/54. Express condemnation of Congress re arrest and imprisonment of Stefan Cardinal Wyszynski and others persecuted for religious reasons in Poland. Foreign Affairs.

KERSTEN (R Wis.) HRes 438.....2/9/54. Provide for an investigation and study of subversion and destruction of free institutions and human liberties in areas controlled by world communism and the treatment of peoples in such areas. Rules.

## Labor

MURRAY (D Mont.) S 2914.....2/8/54. Amend the Fair Labor Standards Act of 1938, as amended, to increase minimum wages, reduce maximum hours, enlarge coverage, and regulate child labor. Labor.

BARRETT (D Pa.) HR 7744.....2/4/54. Amend Fair Labor Standards Act of 1938 to increase the minimum hourly wage from 75 cents to \$1.35. Labor.

BUDGE (R Idaho) HR 7768.....2/8/54. Amend Fair Labor Standards Act of 1938 to include in definition of "agriculture" the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained and operated for farming purposes. Labor.

LANE (D Mass.) HR 7739.....2/4/54. Authorize an appropriation enabling the Secretary of Labor to make additional unemployment compensation payments to states having large numbers of unemployed persons in labor surplus areas. Ways and Means.

## Military and Veterans

### DEFENSE POLICY

\*JACKSON (D Wash.), Magnuson (D Wash.) S 2886.....2/3/54. Provide for advancement, on the retired lists of the armed forces, of individuals not promoted after being held as POW's during World War II. Armed Services.

SALTONSTALL (R Mass.) (by request) S 2905.....2/5/54. Affirm the temporary appointments of certain officers of the Navy. Armed Services.

SALTONSTALL (R Mass.) (by request) S 2906.....2/5/54. Provide that the enlistment contracts or periods of obligated service of armed forces members shall not terminate by reason of appointment as cadets or as midshipmen in one of the U.S. Academies. Armed Services.

SALTONSTALL (R Mass.) (by request) S 2907.....2/5/54. Promote the national defense by including a representative of the Defense Department as member of the National Advisory Committee for Aeronautics. Armed Services.

ABBOTT (D Va.) HR 7733.....2/4/54. Direct Secretary of Defense to declare Camp Pickett, Virginia as excess property. Armed Services.

ANGELL (R Ore.) HR 7734.....2/4/54. Relieve state-operated educational institutions from giving bond for certain property issued by the U.S. for use by Reserve Officers' Training Corps units maintained at such institutions. Armed Services.

BATTLE (D Ala.) HR 7810.....2/9/54. Enable the mothers and widows of deceased armed forces members now interred in cemeteries outside the continental U.S. or Alaska, to make a pilgrimage to such cemeteries. Armed Services.

HUNTER (R Calif.) HR 7746.....2/4/54. Extend the time limit within which recommendations for and awards of certain military decorations may be made. Armed Services.

SHORT (R Mo.) HR 7786.....2/8/54. Provide that the enlistment contracts or periods of obligated service of armed forces members shall not terminate because of appointment as cadets or as midshipmen at U.S. Academies. Armed Services.

TOLLEFSON (R Wash.) (by request) HR 7792.....2/8/54. Amend 14 U.S.C. 490 re payment of claims to Coast Guard personnel. Merchant Marine.

### VETERANS

SPARKMAN (D Ala.) S 2889.....2/3/54. Extend to June 30, 1955, the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs, and make additional funds available therefor. Banking and Currency.

CRETELLA (R Conn.) HR 7736.....2/4/54. Extend period during which veterans may apply for and receive education and training under the Veterans' Readjustment Assistance Act of 1952. Veterans.

CUNNINGHAM (R Iowa) HR 7812.....2/9/54. Increase the annual income limitations governing the payment of pensions to certain veterans and their dependents. Veterans.

DOLLIVER (R Iowa) HR 7769.....2/8/54. Provide for apprentice or other training on the job in agricultural occupations. Veterans.

DOLLIVER (R Iowa) HR 7770.....2/8/54. Provide institutional on-farm training for the veteran who performs part of his course as the employee of another. Veterans.

GRANAHAN (D Pa.) HR 7701.....2/3/54. Restore right of certain veterans to apply for insurance. Veterans.

MILLS (D Ark.) HR 7705.....2/3/54. Provide that pension for non-service-connected permanent and total disability may be paid to single veterans with a dependent parent, whose income is not above \$2,700. Veterans.

MOULDER (D Mo.) HR 7783.....2/8/54. Provide equal pension or compensation benefits to all veterans disabled in the military service. Veterans.

MOULDER (D Mo.) HR 7784.....2/8/54. Extend to the veterans of the Mexican Border Service of 1916 and 1917 and their widows and minor children all provisions, privileges, rights, and benefits of laws enacted for World War I Veterans. Veterans.

REES (R Kan.) HR 7786.....2/8/54. Make provision for honoring veterans on the 11th of November of each year, a day dedicated to world peace. Judiciary.

ROGERS (R Mass.) (by request) HR 7712.....2/3/54. Amend Veterans' Regulations to provide an increased statutory rate of compensation for veterans suffering the loss of an eye or its use in connection with the loss of a limb or its use. Veterans.

ZABLOCKI (D Wis.) HR 7746.....2/4/54. Prohibit the future use for parking purposes of certain land leased, under the act of September 1, 1949, by the Administrator of Veteran's Affairs to Milwaukee County, Wisconsin. Veterans.

#### Miscellaneous and Administrative

\*BUSH (R Conn.), Purtell (R Conn.), Smathers (D Fla.) S J Res 124.....2/4/54. Designate the third week in June annually as National Amateur Radio Week. Judiciary.

DIRKSEN (R Ill.) (by request) S 2924.....2/9/54. Incorporate the Sons of Union Veterans of the Civil War. Judiciary.

\*HOLLAND (D Fla.), Smathers (D Fla.) S J Res 125.....2/8/54. Request the President to issue proclamation designating one day each year as National Library Day. Judiciary.

EBERHARTER (D Pa.) H Res 437.....2/9/54. Make provision for issuance of a special air-mail postage stamp bearing the phrase "Liberty and Justice for All". Civil Service.

HOLTZMAN (D N.Y.) H J Res 369.....2/4/54. Designate the first Sunday in October of each year as Grandparents' Day. Judiciary.

JOHNSON (D Wis.) H J Res 372.....2/9/54. Request the President to proclaim October 9 as Leif Erickson Day. Judiciary.

OAKMAN (R Mich.) H J Res 371.....2/8/54. Amend joint resolution of June 22, 1942, re pledge of allegiance to the flag. Judiciary.

#### CIVIL SERVICE

HAGEN (R Minn.) HR 7774.....2/8/54. Establish a uniform system for granting of incentive awards to officers and employees of the U.S. Civil Service.

KEATING (R N.Y.) HR 7738.....2/4/54. Revise laws re claims and services of former employees in matters affecting the U. S. government. Judiciary.

LESINSKI (D Mich.) HR 7780.....2/8/54. Include all types of compensation paid to officers and employees of the federal government by the federal government within the scope of the Civil Service Retirement Act of May 29, 1930, as amended. Civil Service.

LESINSKI (D Mich.) HR 7781.....2/8/54. Grant longevity paystep increases to federal employees on an equal basis upon their completion of ten, 13, and 16 years of service respectively. Civil Service.

MILLER (D Calif.) HR 7704.....2/3/54. Provide annuities for certain federal employees who have rendered at least 20 years service in hazardous occupations. Civil Service.

REES (R Kan.) HR 7785.....2/8/54. Amend Civil Service Retirement Act of May 29, 1930, to make permanent the increases in regular annuities provided by the act of July 16, 1952, and extend such increases to additional annuities purchased by voluntary contributions. Civil Service.

REES (R Kan.) HR 7787.....2/8/54. Provide for the payment of annuities to certain former employees of the government. Civil Service.

REES (R Kan.) HR 7823.....2/9/54. See above HR 7785.

ROBERTS (D Ala.) HR 7742.....2/4/54. Authorize voluntary withholding from compensation of federal employees, of amounts for rates and premiums of voluntary prepayment plans and insurance for hospital and medical care. Civil Service.

#### CONGRESS

BISHOP (R Ill.) H Res 439.....2/9/54. Provide for appointment of a special committee of the House of Representatives to investigate the campaign expenditures of the various House candidates. Rules.

#### CONSTITUTION, CIVIL RIGHTS

CORBETT (R Pa.) HR 7745.....2/4/54. Amend the Hatch Act re employees of state or local agencies whose activities are financed in any part by loans or grants from the U.S. House Administration.

THOMPSON (R Mich.) H J Res 368.....2/3/54. Propose a constitutional amendment to provide that a new state may be admitted only pursuant to the procedure established by the Constitution for amending the Constitution. Judiciary.

#### CRIMES, COURTS AND PRISONS

CARLSON (R Kan.) S 2902.....2/5/54. Provide for appointment of a district judge for the district of Kansas.

McCARRAN (D Nev.) S 2910.....2/5/54. Provide for the creation of certain U. S. judgeships. Judiciary.

DIES (D Tex.) HR 7814.....2/9/54. Make it unlawful to affiliate with the Communist Party. Judiciary.

HOPE (R Kan.) HR 7776.....2/8/54. Provide for the appointment of a district judge for the district of Kansas. Judiciary.

RADWAN (R N.Y.) HR 7740.....2/4/54. Amend 18 U.S.C. to make it a criminal offense to move or travel in interstate commerce to avoid prosecution, custody or confinement after conviction for arson. Judiciary.

REED (R Ill.) HR 7741.....2/4/54. Amend sections 1, 3, and 4 of the Foreign Agents Registration Act of 1938, as amended, re limitation of participation in organizations, or activities by foreign agents or governments. Judiciary.

THOMPSON (R Mich.) HR 7710.....2/3/54. Amend 18 U.S.C. re the mailing and transportation of obscene matter. Judiciary.

#### DISTRICT OF COLUMBIA

CASE (R S.D.) (by request) S 2923.....2/9/54. Increase the compensation of certain members of the Public Utilities Commission of D.C. D.C.

KEARNS (R Pa.) HR 7702.....2/3/54. Provide that persons entitled to relief from the policemen and firemen's relief fund, D.C. may waive all or part of such relief. D.C.

#### INDIAN AND TERRITORIAL AFFAIRS

BUTLER (R Neb.) S 2900.....2/4/54. Authorize sale of certain land in Alaska to the Harding Lake Camp, Inc. for use as a youth camp. Interior.

MURRAY (D Mont.) (by request) S 2898.....2/4/54. Provide home rule for the Assiniboine-Sioux Tribes of the Fort Peck Indian Reservation, Montana. Interior.

MURRAY (D Mont.) (by request) S 2899.....2/4/54. Establish the Fort Peck Indian Lands Commission. Interior.

EDMONDSON (D Okla.) HR 7772.....2/8/54. Make provisions re restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma. Interior.

#### POST OFFICE

\*CARLSON (R Kan.), Johnston (D S.C.) S 2903.....2/5/54. Provide that equipment for use in post offices shall be furnished by the Post Office Department. Civil Service.

HAGEN (R Minn.) HR 7816.....2/9/54. Repeal certain laws authorizing the Postmaster General to revise parcel-post rates, size limits, zones, and other conditions of mailability. Civil Service.

KING (D Calif.) HR 7778.....2/8/54. Rescind the order of the Postmaster General curtailing certain postal services. Civil Service.

#### PRESIDENTIAL POLICY

JOHNSON (D Colo.) S 2908.....2/5/54. Establish a Metals Credit Corporation to provide a stable market and ready supply of certain domestic metals in the U.S. Interior.

REECE (R Tenn.) H Res 433.....2/4/54. Authorize expenditure of certain funds for expenses of the Select Committee To Investigate Tax Exempt Foundations. House Administration.

RHODES (D Pa.) H Res 434.....2/8/54. Request the President to furnish to the House of Representatives information re the discharge of federal officers and employees for security reasons during the past year. Civil Service.

RHODES (D Pa.) H Res 435.....2/8/54. Direct the chairman of the U.S. Civil Service Commission to furnish to the House of Representatives information re the discharge of federal officers and employees for security reasons during the past year. Civil Service.

RHODES (D Pa.) H Res 436.....2/8/54. Direct the Attorney General of the U.S. to furnish to the House of Representatives information re the discharge of federal officers and employees for security reasons during the past year. Judiciary.

SMITH (D Miss.) HR 7790.....2/8/54. Provide for establishment of a policy of placing certain contracts in states having the lowest per capita income. Government Operations.

## Taxes and Economic Policy

### BUSINESS AND BANKING

SPARKMAN (D Ala.) S 2890.....2/3/54. Provide for a Regional Credit Union System. Banking and Currency.

CHATHAM (D N.C.) HR 7811.....2/9/54. Amend the Small Business Act of 1953 to provide that small sanitary districts may be eligible for self-liquidating loans under the provisions of the Act. Banking and Currency.

### COMMERCE AND COMMUNICATIONS

JOHNSON (D Colo.) S 2926.....2/9/54. Amend the Communications Act of 1934, as amended, to provide for imposition of nominal charges by the Commission for inspections, certifications, registrations, licenses, permits, or applications issued or provided by the Commission. Commerce.

BOSCH (R N.Y.) H J Res 370.....2/4/54. Direct the Civil Aeronautics Board to procure an amendment to the Warsaw Convention re limitation of liability on oversea travel. Commerce.

SEELY-BROWN (R Conn.) HR 7825.....2/9/54. Require that merchant seamen be able to understand orders given in the English language. Merchant Marine.

SEELY-BROWN (R Conn.) HR 7826.....2/9/54. Amend 46 U.S.C. 475 re life preservers for river steamers. Merchant Marine.

TOLLEFSON (R Wash.) (by request) HR 7791.....2/8/54. Amend section 4153 of the Revised Statutes, re the determination of tonnage. Merchant Marine.

WOLVERTON (R N.J.) (by request) HR 7795.....2/8/54. Amend the Communications Act of 1934 re protests of grants of instruments of authorization without hearing. Commerce.

### NATURAL RESOURCES

MURRAY (D Mont.) S 2875.....2/3/54. Provide for the location of mining claims by geological, geochemical, and other geophysical prospecting methods. Interior.

MURRAY (D Mont.) S 2886.....2/3/54. Stimulate the exploration, production, and conservation of strategic and critical ores, metals, and minerals, and establish a Mine Incentive Payments Division within the General Services Administration. Interior.

ANGELL (R Ore.) HR 7764.....2/8/54. Provide that the U.S. shall aid the states in wildlife-restoration projects. Merchant Marine.

REAMS (I Ohio) HR 7747.....2/4/54. Amend Outer Continental Shelf Lands Act to provide that revenues thereunder acquired shall be used as grants-in-aid of primary and higher education. Judiciary.

### PUBLIC WORKS AND RECLAMATION

CORDON (R Ore.) S 2920.....2/9/54. Provide for the construction, operation, and maintenance of Cougar Dam and Reservoir on the South Fork McKenzie River, Oregon, with participation for power by the city of Eugene, Oregon. Public Works.

DOUGLAS (D Ill.) S 2913.....2/8/54. Establish an effective program for planning and construction of needed public works and create the Office of Public Facilities Administrator. Public Works.

MAGNUSON (D Wash.) S 2915.....2/8/54. Authorize modification of the existing project for the Columbia River at the mouth, to improve facilities for navigation. Public Works.

MAGNUSON (D Wash.) S 2916.....2/8/54. Authorize modification of the existing project for Bellingham Harbor, Washington, to provide for a small-boat basin. Public Works.

MAGNUSON (D Wash.) S 2917.....2/8/54. Authorize modification of the existing project for the Quillayute River, Washington, to improve facilities for navigation. Public Works.

MAGNUSON (D Wash.) S 2918.....2/8/54. Authorize modification of the existing project for Port Angeles Harbor, Washington to provide for a mooring basin. Public Works.

MAGNUSON (D Wash.) S 2919.....2/8/54. Authorize modification of the existing project for Everett Harbor, Washington, to improve facilities for navigation. Public Works.

BOLLING (D Mo.) HR 7766.....2/8/54. Establish an effective program for planning and construction of needed public works and create the Office of Public Facilities Administrator. Public Works.

CURTIS (R Neb.) HR 7737.....2/4/54. Amend Bankhead-Jones Farm Tenant Act to authorize insurance of loans made to finance deep-well irrigation systems. Agriculture.

D'EWART (R Mont.) HR 7813.....2/9/54. Authorize the Secretary of the Interior to adjust or cancel certain charges on the Milk River project. Interior.

ELLSWORTH (R Ore.) HR 7815.....2/9/54. Provide for construction, operation and maintenance of Cougar Dam and Reservoir on the South Fork McKenzie River, Oregon, with participation for power by the city of Eugene, Oregon. Public Works.

MCGREGOR (R Ohio) HR 7818.....2/9/54. Amend and supplement the Federal-Aid Road Act of 1916, to authorize appropriations for continuing the construction of highways. Public Works.

SIMPSON (R Ill.) HR 7789.....2/8/54. Provide for development of a highway and appurtenances thereto, traversing the Mississippi Valley. Public Works.

WESTLAND (R Wash.) HR 7793.....2/8/54. Authorize the improvement of Anacortes Harbor, Washington. Public Works.

WESTLAND (R Wash.) HR 7794.....2/8/54. Authorize the improvement of Neah Bay Harbor, Washington. Public Works.

### TAXES AND TARIFFS

ALLEN (R Calif.) HR 7763.....2/8/54. Amend Internal Revenue Code re taxes imposed on the first domestic processing of certain oils. Ways and Means.

DOLLIVER (R Iowa) HR 7771.....2/8/54. Reduce from three years to six months the period of limitation upon the assessment of estate taxes and proceedings in court for the collection of such taxes. Ways and Means.

FRELINGHUYSEN (R N.J.) HR 7773.....2/8/54. Increase the amount of articles acquired abroad by residents of the U.S. which may be brought into the country without payment of duty. Ways and Means.

IKARD (D Tex.) HR 7777.....2/8/54. Increase from \$600 to \$800 the income-tax exemptions allowed for a taxpayer, his spouse, his dependents, and the additional exemptions for old age and blindness. Ways and Means.

KING (R Pa.) HR 7779.....2/8/54. Amend section 422 (b) of the Internal Revenue Code re clarification of term "unrelated trade or business" to include the selling of products of agricultural operations or of the processing equipment used in connection therewith. Ways and Means.

LIPSCOMB (R Calif.) HR 7703.....2/3/54. Amend chapter 1, subchapter C of Internal Revenue Code re amortization deduction for devices, buildings, machinery or equipment. Ways and Means.

LIPSCOMB (R Calif.) HR 7782.....2/8/54. Provide for payments by the federal government to states or local taxing units adversely affected by federal acquisition, ownership, or use of defense production facilities, and provide for the taxation of certain federal properties. Interior.

MARTIN (R Iowa) HR 7817.....2/9/54. Amend Internal Revenue Code to permit filing of oral prescriptions for certain narcotic drugs. Ways and Means.

PILLION (R N.Y.) HR 7821.....2/9/54. Amend Internal Revenue Code to provide that members of reserve components of the armed forces may deduct from gross income expenses for transportation in connection with inactive-duty training. Ways and Means.

RAINS (D Ala.) HR 7822.....2/9/54. Exempt from the manufacturers' excise tax, certain automobiles furnished without charge to schools for use in driver-training programs. Ways and Means.

REED (R N.Y.) HR 7709.....2/3/54. Continue until June 30, 1956, the suspension of certain import taxes on copper. Ways and Means.





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## congressional quiz

1. Q--I noticed that recently President Eisenhower nominated 272 people for Postmaster jobs. Just how many Post Offices are there?

A--There were 40,130 U.S. Post Offices, not counting branches or stations, as of Jan. 1, 1954. According to the Post Office Department, about 22,240 were first, second or third-class offices. The Postmasters for these offices are appointed by the President, who uses Civil Service registers, and the nominations are subject to Senate confirmation. The remaining were fourth-class offices, and Postmasters for them are appointed by the Postmaster General.

2. Q--What determines whether a Post Office is first class or fourth class?

A--The postal revenue taken in by the office. Fourth-class offices take in up to \$1,500 a year. There were 17,890 of them on Jan. 1. Other classes, the amount of revenue and the number of Post Offices: Third-class, from \$1,500 to \$8,000 (13,082); second-class, \$8,000 to \$40,000 (6,157); first-class, above \$40,000 (3,001).

3. Q--What are the qualifications for serving in Congress?

A--The Constitution states that a Representative must be at least 25 years old, a citizen for at least seven years and at the time of election, a resident of the state he represents. A Senator must be at least 30 years old, a citizen for at least nine years, and a resident of his state at the time of election. A former Senator, Rush D. Holt (D W. Va.), now a Republican, was only 29 when elected in 1934 for a term beginning Jan. 3, 1935. He did not take his seat until June 21, 1935, two days after his 30th birthday.

4. Q--When will the primary elections be held this year?

A--Illinois voters will be the first to select candidates in a primary this year on April 13. They will ballot for nominees for various offices, including the U.S. Senate seat now held by Sen. Paul H. Douglas (D). New Jersey's primary April 20 will be next. Alabama, Florida, Indiana, New Mexico, and Ohio will vote for party candidates May 4. Other primaries will occur later in May and in June, July, August and September. In most states the major parties will nominate their Congressional candidates in primaries but in some they will be named in conventions.

5. Q--I read that the Disabled American Veterans and other "chartered" veterans groups appeared before the House Veterans Affairs Committee recently to make their annual reports. Why do they have to report to Congress?

A--Veterans groups chartered by Congress are required by law to make annual financial reports to the House Veterans Affairs Committee. Besides the DAV, chartered veterans groups are the American Legion, Veterans of Foreign Wars and the American Veterans of World War II.

6. Q--When will American troops be brought home from Japan?

A--Sen. H. Alexander Smith (R N.J.), Chairman of the Senate's Foreign Relations Far East Subcommittee, said Feb. 2 it may be four or five years before all American troops now in Japan may be brought home. Despite this, Smith urged that a "target" date be set for the withdrawal of occupation forces. The war with Japan was ended Aug. 14, 1945, and the peace treaty took effect April 28, 1952.

7. Q--How many additional persons would be covered by Social Security if Congress and the states adopted President Eisenhower's recommendations for extended coverage?

A--About 10.3 million more persons would be brought into the Old Age and Survivors Insurance system. Among them would be about 3.4 million employees in businesses with fewer than eight employees, approximately 2.5 million federal employees, and 200,000 workers engaged in the processing of agricultural products. About 4.2 million state, county and municipal civil service workers, who, for the most part, now have various retirement plans, could come into the federal OASI on a voluntary basis. Doctors, lawyers, accountants, dentists, ministers, architects and other professionals would also be given the choice of joining.

8. Q--Is a roll-call vote required when the Senate consents to ratification of a treaty?

A--No, but several of the compromise proposals offered during debate on the Bricker amendment -- to amend the treaty-making procedure -- would require roll-call votes for ratification. Consent to ratification now requires a two-thirds vote of those present. During the current debate on the Bricker proposal, it was brought out that on at least one occasion, a treaty got through the Senate while only one Senator was on the floor. He did not vote "yea;" he just did not object to ratification.

NOTE: CQ Weekly Report pages on which additional data may be found: (1) 99; (4) 117, 140, (7) 64, 69, 70; (8) 154.